

EXHIBIT A

of communication; and (iii) the general subject matter of
the communication.

Unless otherwise specified, 45 John Lofts LLC requests the production of documents authored in, or concerning, the time period from August 1, 2014 through October 1, 2014 (the "Relevant Period").

These are continuing requests for responsive documents. You are under a duty to supplement your production of documents if you obtain information on the basis of which you learn or have reason to believe (a) that the production was incomplete when made, or (b) that you have in your possession, custody, or control, documents responsive to these requests that have not been produced.

In the event that any document called for has been destroyed, discarded, or otherwise disposed of, identify the document by stating its: (a) author or preparer; (b) recipients (whether indicated or blind copies); (c) date; (d) subject matter; (e) number of pages; (f) attachments or appendices; (g) all persons to whom distributed or shown (h) date of destruction or other disposition; (i) manner of destruction or other disposition; (j) reason for destruction or other disposition; (k) person authorizing destruction or other disposition; (l) person destroying or disposing of the document; and (m) the document request or requests to which the document is responsive.

DOCUMENTS REQUESTED

1. All Documents and Communications concerning all transfers or payments made by Riverside in accordance with or concerning the Direction Letter, including but not limited to, (i) all documents and instruments, including checks (front and back), wire instructions and documents concerning wire transfer, which concern payment, assignment or transfer of the Down Payment, (ii) the deposit of all or any portion of the Down Payment, and (iii) the

transmission or delivery of all or any portion of the Down Payment to you or to any other person or entity.

2. All Documents and Communications concerning all transfers or payments made by Riverside in accordance with or concerning the Disbursement Schedule, including but not limited to, (i) all documents and instruments, including checks (front and back), wire instructions and documents concerning wire transfer, which concern payment, assignment or transfer of the Disbursement Schedule Funds, (ii) the deposit of all or any portion of any of the Disbursement Schedule Funds, and (iii) the transmission or delivery of all or any portion of any of the Disbursement Schedule Funds to you or to any other person or entity.

3. All Documents and Communications concerning any transfer of any monies or other property by 45 John Lofts, HS 45 John, Miller, or Sprei to you, not otherwise requested in Request No. 1 and 2 during the Relevant Period.

EXHIBIT B

SHAUL C. GREENWALD

Page 1

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

-----X
In re:

HS 45 JOHN LLC,

Debtor.

HS 45 JOHN LLC,

Plaintiff,

v.

45 JOHN LOFTS LLC, CHAIM MILLER,
SAM SPREI, CHUN PETER DONG, QUICK
TITLE SEARCH LLC, ABRAHAM
TEITELBAUM, LI LAN WU, aka, LI LAN
LIAO, aka, LIAO LI LAN, AIYUN CHEN,
WING FUNG CHAU, TU KANG YANG, and
RELIABLE ABSTRACT CO., LLC,

Defendants.
-----X

:
:
:Chapter 11
:
:Case No.
:15-10368 (SHL)

:
:
:
:Adv. Pro.
:No. 15-01066
:(SHL)

DEPOSITION of SHAUL C. GREENWALD, taken by
Respective Parties at the offices of Loeb & Loeb, 345
Park Avenue, New York, New York, on Thursday,
July 2, 2015, commencing at 8:20 a.m., before Leah
Allbee, a Registered Professional Reporter and Notary
Public within and for the State of New York.

SHAUL C. GREENWALD

Page 2	Page 4
<p>1 2 APPEARANCES: 3 4 LOEB & LOEB, LLP Attorneys for Debtor-Plaintiff HS 45 5 John LLC 345 Park Avenue 6 New York, New York 10154 7 BY: SARA J. CRISAFULLI, Esq. VADIM J. RUBINSTEIN, ESQ. 8 9 10 GOLDBERG WEPRIN FINKEL GOLDSTEIN, LLP Attorneys for Debtor-Plaintiff HS 45 John LLC 11 1501 Broadway New York, New York 10036 12 13 BY: KEVIN J. NASH, ESQ. 14 15 SILVERMAN SHIN & BYRNE, PLLC Attorneys for Defendants/ Cross-claimants Chun Peter Dong and 45 16 John Lofts LLC 381 Park Avenue South, 16th Floor 17 New York, New York 10016 18 BY: DONALD SCHNEIDER, ESQ. 19 20 WILK AUSLANDER Attorneys for Defendants Wing Fung 21 Chau and Tu Kang Yang 1515 Broadway 22 New York, New York 10036 23 BY: ALAN ZUCKERBROD, ESQ. 24 25</p>	<p>1 S. Greenwald 2 SHAUL CHAIM GREENWALD, 3 called as a witness, having been first 4 duly affirmed by Leah Allbee, a Notary 5 Public within and for the State of New 6 York, was examined and testified as 7 follows: 8 EXAMINATION 9 BY MR. ZUCKERBROD: 10 Q. Good morning, Mr. Greenwald. 11 A. Good morning. 12 Q. My name is Alan Zuckerbrod. I 13 represent what have been referred to as some of the 14 Asian investors in this lawsuit. I am going to ask 15 you some questions. And if my questions are not 16 clear, please say so. I will try to clarify. 17 If you need to speak with your 18 counsel, you may. Just not while a question is 19 pending. Okay? 20 A. Sure. 21 Q. Just speak up so the reporter can hear 22 you. 23 A. Sure. 24 Q. I understand that you are an attorney? 25 A. Yes, I am.</p>
Page 3	Page 5
<p>1 2 APPEARANCES: 3 4 ZELMANOVITZ & ASSOCIATES, PLLC Attorneys for Shaul C. Greenwald 5 1211 Avenue of the Americas New York, New York 10036 6 7 BY: MENACHEM O. ZELMANOVITZ, ESQ. 8 9 ALSO PRESENT: Maria Filippelli, Esq. Old Republic National Title Insurance 10 Company 400 Post Avenue, Suite 310 11 Westbury, New York 11590 12 Chun Peter Dong 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p>1 S. Greenwald 2 Q. Can you tell me about your background? 3 A. My name is Shaul Greenwald, and I am 4 an attorney. I was admitted to practice law in New 5 York, in the beginning of 2008. I passed the bar in 6 2007; admitted to practice in 2008. I opened a 7 title company in August of 2006. And then 8 subsequently joined my current firm, my current 9 title insurance agency, in 2009, February 2009, 10 called Riverside Abstract. 11 Q. Did you form that firm? Were you the 12 founder of that firm, Riverside Abstract? 13 A. I was not the founder of the firm. 14 Q. How long has Riverside Abstract been 15 in business? 16 A. January or February of 2007, I 17 believe. 18 Q. You joined in 2009? 19 A. February of 2009. 20 Q. What was your title when you joined? 21 A. I don't recall exactly, but I think 22 CEO and corporate counsel. 23 Q. I am sorry? 24 A. Corporate counsel and CEO. 25 Q. Okay. So when you say that you were</p>

SHAUL C. GREENWALD

Page 6	Page 8
<p>1 S. Greenwald 2 the CEO, it sounds like you were the boss? You were 3 in charge? 4 A. I have a partner. 5 Q. Okay. Who is your partner? 6 A. Yoel Zagelbaum. 7 Q. I am sorry? 8 A. Yoel Zagelbaum. I will spell it. 9 Q. Is he still your partner? 10 A. Yes. 11 Q. So since 2009 you guys have been 12 partners? 13 A. Yes. 14 Q. Are there any other principals of the 15 company? 16 A. No. 17 MR. ZUCKERBROD: By the way, 18 before we continue, Mr. Zelmanovitz, we 19 had talked, before we got started, about 20 some additional documents that were the 21 subject of the discussion with the Court 22 yesterday. And you said you had some 23 documents, but you wanted to put a 24 stipulation on the record. 25 MR. ZELMANOVITZ: Yes. These</p>	<p>1 S. Greenwald 2 going to deal with them now. We will 3 take a look at them and make copies. 4 MR. ZELMANOVITZ: Let me 5 identify something for you so that you 6 understand. 7 MR. ZUCKERBROD: Okay. 8 MR. ZELMANOVITZ: They are -- 9 the four redacted copies I have 10 handwritten on the bottom the 11 corresponding identifying number that 12 relates to them in the redaction log. 13 The other email exchange that's been 14 stapled together, that's the document 15 from the privilege log. 16 MR. ZUCKERBROD: Okay. Thanks. 17 MR. ZELMANOVITZ: And when you 18 make copies, I would appreciate getting 19 a copy back. 20 MR. ZUCKERBROD: Yes. Of 21 course. I will take a look at them at 22 the break, and we will go from there. 23 Q. So, Mr. Greenwald, where did you go to 24 law school? 25 A. Benjamin N. Cardozo School of Law.</p>
Page 7	Page 9
<p>1 S. Greenwald 2 are the documents identified by your 3 partner, Mr. Snyder, both on the 4 teleconference with the Court, as well 5 as in an email subsequently to me, where 6 he added an additional document. He 7 actually added two, but they were the 8 same document so it's really one. And 9 we have looked at them. I have copies 10 of them with me. 11 We are prepared to provide them 12 to the parties, provided that all 13 parties agree that this does not waive 14 any privilege applicable to anything 15 else, any other document, any other 16 testimony, whatsoever. 17 MR. ZUCKERBROD: That's fine. 18 MR. NASH: We agree. 19 MR. ZELMANOVITZ: Anyone 20 opposed? Anyone not agree? 21 MR. NASH: No. 22 MR. ZELMANOVITZ: Okay. Since I 23 was not in the office, I have, 24 unfortunately, only one copy. 25 MR. ZUCKERBROD: Well, I am not</p>	<p>1 S. Greenwald 2 Q. You graduated in '07? 3 A. I graduated in May of 2007. 4 Q. Where did you do your undergraduate 5 work? 6 A. Beth Medrash Govoha in Lakewood, New 7 Jersey. 8 Q. Prior to joining Riverside in 2009, 9 did you work elsewhere? 10 A. Yes. From August of 2006 through 11 February of 2009 I was at a company called Saxony 12 Title. Saxony, S-A-X-O-N-Y. 13 Q. Right. 14 A. Title, LLC. And that was from that 15 moment, from August of 2006 through February of 16 2009. 17 Q. What did you do at Saxony Title? 18 A. I believe my title was vice president 19 of operations or something like that. 20 Q. Okay. 21 A. And I really founded the company over 22 there together with, quote, unquote, "my partner," 23 however you want to define it. 24 Q. Same partner as at Riverside? 25 A. No.</p>

SHAUL C. GREENWALD

Page 10	Page 12
<p>1 S. Greenwald</p> <p>2 Q. Different partner?</p> <p>3 A. Yes. In 2006. And it was my job to</p> <p>4 actually start -- it was a startup.</p> <p>5 Q. Okay.</p> <p>6 A. So find clients.</p> <p>7 Q. You did everything?</p> <p>8 A. Build the company. Whatever it took.</p> <p>9 Q. Now, for today's deposition, can you</p> <p>10 tell me what you did to prepare for it?</p> <p>11 A. I reviewed some of the documents, I</p> <p>12 met with counsel yesterday, I reviewed a few of the</p> <p>13 depositions, but just really cursory, like read it</p> <p>14 through. I think I was in bed at the time. So it</p> <p>15 was one of those late night readings. And that's</p> <p>16 pretty much all.</p> <p>17 Q. And you said that you reviewed some</p> <p>18 documents. What documents did you review?</p> <p>19 MR. ZELMANOVITZ: I am going to</p> <p>20 instruct the witness not to answer that,</p> <p>21 because those are documents I provided</p> <p>22 to him. If you would like to show him a</p> <p>23 document, he will tell you if he saw it</p> <p>24 or not.</p> <p>25 I will not allow you to</p>	<p>1 S. Greenwald</p> <p>2 So I don't want to get off to a</p> <p>3 bad start. We have ground to cover, and</p> <p>4 we want to get this thing done. But in</p> <p>5 all seriousness, that's not a proper</p> <p>6 objection. He is entitled to ask that.</p> <p>7 Everybody that has testified has</p> <p>8 indicated what documents they looked at.</p> <p>9 MR. ZELMANOVITZ: Finished?</p> <p>10 MR. NASH: Yes.</p> <p>11 MR. ZELMANOVITZ: I thought I</p> <p>12 was being cordial until now. I stand</p> <p>13 corrected if I wasn't. I intend to be</p> <p>14 cordial. But I have been doing this --</p> <p>15 this is not my first time at a</p> <p>16 deposition. I have been doing this a</p> <p>17 lot longer than you have, Kevin.</p> <p>18 MR. NASH: I don't know.</p> <p>19 MR. ZELMANOVITZ: I am going to</p> <p>20 instruct the witness not to answer that</p> <p>21 question. It is part of the attorney</p> <p>22 preparation with him.</p> <p>23 If you want to show him a</p> <p>24 document or if it's a document that I</p> <p>25 did not show him, then you can ask the</p>
Page 11	Page 13
<p>1 S. Greenwald</p> <p>2 invade --</p> <p>3 MR. ZUCKERBROD: Mr.</p> <p>4 Zelmanovitz, that's not really a proper</p> <p>5 instruction.</p> <p>6 MR. ZELMANOVITZ: Too bad.</p> <p>7 MR. NASH: Come on. Let's just</p> <p>8 start fresh here. Okay? We have been</p> <p>9 doing this for two weeks.</p> <p>10 Let me finish.</p> <p>11 There is a cordiality to the</p> <p>12 depositions and there is a protocol to</p> <p>13 the depositions. And I know this is</p> <p>14 your first time here, but we have been</p> <p>15 going through a lot of people, in fairly</p> <p>16 good order, because of the cordiality.</p> <p>17 The judge has made it clear the</p> <p>18 objections are only as to privilege, but</p> <p>19 they have to be real privileges. No</p> <p>20 objections to relevance, materiality,</p> <p>21 and so forth.</p> <p>22 Now, it's standard what</p> <p>23 documents you reviewed. To define the</p> <p>24 documents is not an invasion of</p> <p>25 privilege.</p>	<p>1 S. Greenwald</p> <p>2 question. If you show him a document,</p> <p>3 he will tell you if he saw it before,</p> <p>4 whether I showed it to him or not.</p> <p>5 MR. ZUCKERBROD: I don't want to</p> <p>6 get into long speeches or lectures.</p> <p>7 Okay? It's a proper question. If you</p> <p>8 instruct him not to answer, that's an</p> <p>9 improper direction and we will go back</p> <p>10 to the judge. We're not hesitant to do</p> <p>11 that.</p> <p>12 MR. ZELMANOVITZ: Then go back</p> <p>13 to the judge.</p> <p>14 MR. ZUCKERBROD: Okay. And your</p> <p>15 witness is going to have to come back.</p> <p>16 MR. ZELMANOVITZ: Go back to the</p> <p>17 judge.</p> <p>18 MR. ZUCKERBROD: That's fine.</p> <p>19 Q. Did you speak with Mr. Miller?</p> <p>20 A. Yes.</p> <p>21 Q. Prior to the deposition?</p> <p>22 A. Yes.</p> <p>23 Q. About his deposition and about your</p> <p>24 testimony?</p> <p>25 A. No.</p>

SHAUL C. GREENWALD

Page 14

1 S. Greenwald
2 Q. When did you speak with Mr. Miller?
3 A. Last? When --
4 Q. Yes.
5 A. I spoke to him a few times over the
6 course of this week.
7 Q. Did you speak to him -- did you let
8 him know that you were being deposed?
9 A. Yes, of course.
10 Q. And did he tell you that he was
11 deposed?
12 A. Yes.
13 Q. What more did you discuss with him
14 about the case?
15 A. That's all we spoke about.
16 Q. That's it?
17 A. Yes. I didn't want to get any --
18 Q. Did you discuss any specifics?
19 A. Just for settling purposes.
20 Q. Okay. You were talking generally how
21 the case could be possibly settled, and you thought
22 that might be a good idea?
23 A. Of course.
24 Q. Did you speak with Mr. Sprei?
25 A. Same.

Page 15

1 S. Greenwald
2 Q. Same thing?
3 A. Same thing.
4 Q. Did you speak with Mr. Sohn?
5 A. Not -- what time frame?
6 Q. Recently, in the last week or two.
7 A. No.
8 Q. Have you spoken with any of the other
9 attorneys in this case in preparation or
10 anticipation of your deposition?
11 A. No. I spoke to Maria just now when I
12 walked in.
13 Q. Tell me about just the organizational
14 structure of Riverside. How many employees? What
15 are your responsibilities and the responsibilities
16 of some of the other people? How is it set up?
17 A. As I mentioned before, I am the chief
18 executive officer and corporate counsel. We also
19 have approximately 10 to 12 attorneys, including
20 myself, on staff. Some of them are in-counsel
21 positions. Some of them are more sales oriented.
22 We have approximately a total of 70 employees,
23 approximately. I can't give you an exact figure on
24 that.
25 The setup is pretty much that

Page 16

1 S. Greenwald
2 everything runs on a day-to-day basis. We have
3 different departments. We start -- we have
4 probably, I would say, six different departments.
5 There may be some more.
6 We have an order entry department, of
7 course.
8 We have a processing department that
9 processes, basically -- would take the -- would take
10 the orders. And once we get certain things back
11 from our searches, abstracters, municipal searches,
12 other agencies and other search companies,
13 surveyors, they would put together our commitment.
14 The commitment would then be proofed
15 by an attorney, generally by an attorney. Once that
16 happens, the processors would get it back with
17 corrections. The corrections would then be
18 implemented. The -- I don't recall this part, but I
19 think what happens then is that the processor
20 actually sends out the title commitment to our
21 client, or whoever is supposed to get the report.
22 And from there, the responsibilities of the file are
23 transferred over to different groups of
24 coordinators. Those coordinators' responsibility is
25 to make sure that whatever the clients need or

Page 17

1 S. Greenwald
2 whatever potentially is needed for the file or if
3 the client has requests, it makes their process much
4 easier to have a point person to deal with the file
5 on a day-to-day basis.
6 We have a survey department that deals
7 with ordering surveys. And once it gets closer to
8 closing, it transfers over to the closing
9 department, where they generally take care of
10 getting closers, printing out documents, changes to
11 policies. Potentially other things that are going
12 on.
13 There is a -- we have an accounting
14 department, where we have six or seven people right
15 now that deal with financial matters.
16 We also have in that department,
17 sometimes we have to actually get involved with the
18 funding of transactions, so they get involved in
19 that. Potentially preparing closing statements and
20 other things that may occur during that period of
21 time.
22 And we have a post-closing department.
23 They break out the packages that come back and
24 making sure that the deed comes back properly or at
25 least as close as possible as we can get it.

SHAUL C. GREENWALD

Page 18	Page 20
<p>1 S. Greenwald</p> <p>2 And we have a coordinating department.</p> <p>3 So I think that's all we have. And then within</p> <p>4 coordinating, we have different departments. We</p> <p>5 have New York department, New Jersey department, we</p> <p>6 have a national department.</p> <p>7 Q. And what specifically are your</p> <p>8 responsibilities?</p> <p>9 A. My responsibilities, I run the company</p> <p>10 day-to-day. I am involved in sales. And I am</p> <p>11 involved in a lot of different meetings, dealing</p> <p>12 with my underwriters, dealing with clients, dealing</p> <p>13 internally with hiring and firing decisions.</p> <p>14 Anything that really needs to be done in order to --</p> <p>15 Q. What about legal issues? Do you get</p> <p>16 involved in those?</p> <p>17 A. Sure. As corporate counsel, I do get</p> <p>18 involved. Sure.</p> <p>19 Q. Is there one person -- I think you</p> <p>20 mentioned you have 10 or 12 attorneys. Is there one</p> <p>21 attorney in particular who is the lead corporate</p> <p>22 counsel, or is that you? Or --</p> <p>23 A. So generally, we do have -- I said 10,</p> <p>24 12 attorneys. I would say -- I would have to go</p> <p>25 through them, but in my mind, probably about five or</p>	<p>1 S. Greenwald</p> <p>2 But an agency. We are a company. We</p> <p>3 are an LLC. We have a staff that handles, like we</p> <p>4 said, researching title. And ultimately, when we</p> <p>5 have to -- when we close, there is either an owner's</p> <p>6 policy or a loan policy or other policies that are</p> <p>7 issued at the time that we are either closing, or in</p> <p>8 this case, it was a contract and deed policy, which</p> <p>9 insures the person going into contract.</p> <p>10 There would be a policy that we issue</p> <p>11 as an agent for an underwriter. There are many</p> <p>12 underwriters in the country. But most notably there</p> <p>13 are, I would say, four major groups of underwriters.</p> <p>14 And they are not an agent but a company.</p> <p>15 So, for example, Old Republic National</p> <p>16 Title Insurance Company is one. Stewart National</p> <p>17 Title is another. Fidelity National Title Group has</p> <p>18 three underwriters, I think. I am not sure. Maybe</p> <p>19 more. But what I am aware of is Fidelity, Chicago,</p> <p>20 and Commonwealth, and First American.</p> <p>21 Those are the major national</p> <p>22 underwriters, I would say. There are many regional</p> <p>23 underwriters, and we are -- we have a contract with</p> <p>24 those -- an agency contract with those companies.</p> <p>25 The understanding is that we generally</p>
Page 19	Page 21
<p>1 S. Greenwald</p> <p>2 six attorneys that are involved on a day-to-day</p> <p>3 basis.</p> <p>4 And my responsibility, ultimately is,</p> <p>5 I am the last word. So if there is a question at</p> <p>6 some point, they would come to me. There is a woman</p> <p>7 by the name of Karla Miller, who I would say maybe</p> <p>8 she is chief corporate counsel as far as that. But</p> <p>9 ultimately, the ultimate decision would be, of</p> <p>10 course, with the underwriters. We confer with</p> <p>11 underwriters all of the time. But we would also --</p> <p>12 I would be involved in that process at some point.</p> <p>13 Q. Okay. As I understand it, Riverside</p> <p>14 is an abstract company?</p> <p>15 A. We are a title agency or abstract -- I</p> <p>16 mean, I don't know how you are defining that.</p> <p>17 Q. So again, I am not that clear. Can</p> <p>18 you explain for me the difference between an</p> <p>19 abstract company and a title company and the agency,</p> <p>20 and how that works?</p> <p>21 A. Sure. I am not sure -- even though</p> <p>22 our name is Riverside Abstract, many companies</p> <p>23 nowadays call their companies title agencies. I</p> <p>24 would say that's more of a specific -- more</p> <p>25 defined -- specific definition of what we do.</p>	<p>1 S. Greenwald</p> <p>2 do our own work. And we work as diligently as</p> <p>3 possible to make sure that we do good work; that's</p> <p>4 our goal. And --</p> <p>5 Q. You are authorized as an agent to act</p> <p>6 for and bind those companies?</p> <p>7 A. Yes. Under the terms of the agency</p> <p>8 contract, whatever the terms are.</p> <p>9 Q. Understood. So I would like you to</p> <p>10 identify the people and employees at Riverside that</p> <p>11 worked on the 45 John Street transaction.</p> <p>12 A. I will tell you the ones I recall.</p> <p>13 Q. Okay.</p> <p>14 A. Just from really the -- I guess from</p> <p>15 really -- I wouldn't recall today if not for the</p> <p>16 fact that I looked at some of the documents</p> <p>17 yesterday. So I --</p> <p>18 Q. Let me ask you. Did the documents</p> <p>19 that you reviewed before the deposition help refresh</p> <p>20 your recollection as to the events that happened</p> <p>21 back in September?</p> <p>22 A. On a few things, sure.</p> <p>23 Q. You can continue. So who do you</p> <p>24 recall having worked on this transaction?</p> <p>25 A. The attorney, Elliot Schon. There is</p>

SHAUL C. GREENWALD

Page 22	Page 24
<p>1 S. Greenwald 2 a woman in my office, Polina Kohan. 3 Q. Right. 4 A. There is a woman in my office. Her 5 name is Rivka, R-I-V-K-A, Cohen, C-O-H-E-N. Mark 6 Pollak probably -- I think he was involved. Mark 7 Pollak, P-O-L-L-A-K. 8 Q. Someone named Azi? 9 A. Azi Mindick. 10 Q. He is the CFO? 11 A. Right now he is, yes. In his capacity 12 right now he is the CFO. 13 Q. And yourself; correct? 14 A. And myself. 15 Q. Now, in terms of the relative size of 16 transactions, was this 45 John Street deal one of 17 the larger ones that you have done or medium or 18 small ones? How would you characterize it? 19 A. I would think that for -- that in 20 general it's considered a large transaction, in 21 general. And that -- but as a company, we handle 22 transactions of that size quite often. 23 Q. So it was a large one, but not out of 24 the ordinary? 25 A. Not completely out of the ordinary,</p>	<p>1 S. Greenwald 2 first time either in July or August of that year, of 3 2014. 4 Q. Other than 45 John Street and what we 5 have seen are four Brooklyn properties -- 6 A. Could I clarify one thing? 7 Q. Sure. 8 A. I don't want to be misinterpreted. I 9 said -- I didn't mean Chaim Miller. I never met him 10 until September. I believe in September I met him. 11 Definitely not before. 12 I do recall meeting Mr. Sprei one 13 other time in a social setting in July or August. 14 Q. Okay. Thank you for the 15 clarification. 16 So other than the 45 John Street 17 transaction and the four Brooklyn properties, which 18 closed that same day, have you done or has your 19 company done any title work for Mr. Miller and 20 Mr. Sprei on other properties, other deals? 21 A. I don't recall. I will qualify that, 22 that I definitely -- it's possible, because we dealt 23 with Mr. Schwartz, and I don't know if they were 24 involved in those other transactions. And maybe 25 they had other terms that they were involved with.</p>
Page 23	Page 25
<p>1 S. Greenwald 2 sure. 3 Q. Okay. Now, prior to this particular 4 transaction, can you tell me what, if any, was your 5 relationship with Chaim Miller? 6 A. Prior to this transaction? 7 Q. Yes. 8 A. Almost none. 9 Q. Okay. When did you first meet or come 10 to know Mr. Miller? 11 A. Right around that time. 12 Q. When you say "that time," do you mean 13 September of 2014? 14 A. September of 2014. Maybe only -- I 15 don't even know if I ever spoke to him. Maybe a 16 couple of -- I don't recall. 17 Q. What about the same question with 18 respect to Sam Sprei? 19 A. Also similar situation. 20 Q. So you had not known them before or 21 done business with them before? 22 A. I heard the name Sam Sprei before. I 23 did not hear the name Chaim Miller before September. 24 Q. Okay. 25 A. I probably heard his name for the</p>	<p>1 S. Greenwald 2 But as far as I am concerned, I don't recall any 3 other transactions. 4 Q. For how long have you known 5 Mr. Schwartz, Yisroel Schwartz, who was the attorney 6 for 45 John Lofts LLC and Mr. Miller? 7 A. I am not very good with dates, but it 8 must be a couple of years. 9 Q. A couple of years. And had he brought 10 you in to do title work on deals that he was working 11 on as a real estate attorney? 12 A. Yes. 13 Q. Approximately how many deals have you 14 worked with him on? 15 A. Where he directly brought us the deal, 16 probably a dozen, maybe less. I don't know. But 17 approximately. 18 Q. Was he the one that brought you into 19 45 John Street? 20 A. Yes. 21 Q. Now, Mr. Schwartz was representing the 22 seller of 45 John Street. Isn't a title company 23 usually retained by the purchaser? 24 A. Yes. 25 Q. So how did it come to happen in this</p>

SHAUL C. GREENWALD

Page 26	Page 28
<p>1 S. Greenwald 2 case that the seller brought the title company in? 3 A. Now, I don't recall. But you know a 4 deal is a deal. So on my side, I don't -- 5 Q. It didn't matter? 6 A. I don't question. 7 Q. Right. 8 A. If an attorney brings me a deal, I say 9 whatever your relationships are -- 10 I know at one point -- as you asked 11 the question, I am recalling one thing. I think 12 there was mention of maybe the buyer -- I am 13 sorry -- maybe the seller was -- had -- was paying 14 somehow for the title insurance in some way, maybe. 15 But at the end result, I don't know if they paid. 16 So I don't know -- I don't recall. 17 Q. Right. In fact, I think the evidence 18 shows that the seller did pay the title fees in this 19 case. 20 Is that -- in your experience, is that 21 unusual that the seller would pay for title fees of 22 the purchaser in a transaction? 23 A. A transaction in New York, as far as 24 at closing, it definitely would be. This wasn't a 25 closing, so I can't speak to that.</p>	<p>1 S. Greenwald 2 THE WITNESS: Okay. 3 A. So I could tell you I don't recall how 4 we got involved in the transaction. 5 Q. Okay. Do you recall getting involved 6 initially in connection with possible refinancing of 7 the property? Or was your firm's role always in 8 connection with a possible purchase and sale and the 9 contract? 10 A. I don't actually recall. 11 Q. Okay. And I take it from what you 12 said before it was Mr. Schwartz that gave you the 13 initial information about the deal? 14 A. Yes. Sure. 15 Q. What did he say? Do you recall what 16 he said at that time? 17 A. I don't recall. 18 Q. Do you recall any discussions with 19 Mister -- strike that. 20 Did you have discussions with 21 Mr. Sohn, the buyer's counsel, during this process? 22 A. I don't recall. 23 Q. Do you know who the buyer's counsel 24 was, Mr. Sohn's counsel? 25 A. I am really bad with names. If you</p>
Page 27	Page 29
<p>1 S. Greenwald 2 Q. What about at a transaction like this 3 where the contract was being insured? 4 A. I haven't done many contract vendee 5 policies. So I could tell you that I wouldn't know 6 what is usual and what's customary. 7 Q. Okay. So tell me how Riverside 8 first -- what you recall about Riverside's first 9 involvement and work on the title policy for 45 John 10 Street. When did that occur? What did you do? 11 What happened? 12 A. When you say recall, I just want to 13 clarify. Are you saying current recollection or -- 14 Q. Yes, current recollection, as you sit 15 here today. 16 A. From what I read? 17 Q. Yes. Either way. 18 A. Either way. I just want to -- 19 Q. Whatever is in your head. 20 MR. ZELMANOVITZ: Let me just -- 21 he is asking you to testify as to what 22 you recall now, whether it refreshed 23 your memory by what you read or 24 otherwise. But not just to repeat what 25 you read.</p>	<p>1 S. Greenwald 2 remind me -- 3 Q. Albstein? 4 A. Yes, Andy Albstein. 5 Q. Goldberg Weprin? 6 A. Goldberg was the firm, but Andy 7 Albstein was, I believe, representing him. 8 Q. Do you recall any discussions at the 9 outset about insuring a loan from -- as a structure 10 of this transaction -- insuring the transaction as a 11 loan from Mr. Sohn to Mr. Miller and Mr. Sprei as 12 opposed to insuring the contract or insuring the 13 fee? 14 A. I don't recall. 15 Q. Tell me what a -- you said it was a 16 little bit unusual -- but could you explain to me 17 what a title policy -- a vendee policy is? 18 A. I could try. 19 Q. Okay. 20 A. I hope I get it right. A contract 21 vendee policy insures someone that is going into a 22 contract of sale, entering into a contract of sale, 23 potentially putting down a down payment, or even 24 without a down payment, it's really irrelevant. 25 If there was a release down payment or</p>

SHAUL C. GREENWALD

Page 30	Page 32
<p>1 S. Greenwald</p> <p>2 not a release down payment, they want to feel secure</p> <p>3 that whatever the current status and title of</p> <p>4 anything on the record, on public records, relevant</p> <p>5 to the property is all that they have.</p> <p>6 So many times -- this happens quite</p> <p>7 often -- we will get requests for a title commitment</p> <p>8 just because someone is in a due diligence period,</p> <p>9 or even prior to due diligence, before they even</p> <p>10 enter into a contract, in order to see what the</p> <p>11 status is of title. Not only for title as far as</p> <p>12 title issues per se, but even municipal searches in</p> <p>13 New York which would give you information about any</p> <p>14 violations that might be out there or the C of Os,</p> <p>15 the certificate of occupancy status, or other types</p> <p>16 of searches that are typically run.</p> <p>17 They want to just get a basic feel of</p> <p>18 what they are getting into. They don't want to get</p> <p>19 into a contract without that. They may want to put</p> <p>20 some description into the contract of what they are</p> <p>21 accepting on themselves, what they aren't accepting</p> <p>22 on themselves, what they may be taking subject to,</p> <p>23 what they may not be taking subject to. And that's</p> <p>24 pretty standard.</p> <p>25 We do that -- we do lien searches, we</p>	<p>1 S. Greenwald</p> <p>2 signing the contract and the seller to enter into</p> <p>3 that transaction? Are you insuring that that's a</p> <p>4 valid contract?</p> <p>5 A. I believe so.</p> <p>6 Q. In this case, the contract that was</p> <p>7 eventually entered into between --</p> <p>8 A. Let me clarify. When I said --</p> <p>9 Q. Go ahead.</p> <p>10 A. When I used the word "insuring,"</p> <p>11 We're not insuring. We are an agent to --</p> <p>12 Q. I understand that. I am using the</p> <p>13 word "insuring" --</p> <p>14 A. I just want to clarify.</p> <p>15 Q. -- in a broader sense.</p> <p>16 A. Okay.</p> <p>17 Q. In this case, the contract that was</p> <p>18 signed by the purchaser and the seller was recorded.</p> <p>19 Are you aware of that?</p> <p>20 A. Yes. Sure.</p> <p>21 Q. Do you know why? What was the purpose</p> <p>22 of that contract being recorded?</p> <p>23 A. Two reasons. First of all, on the</p> <p>24 contract vendee policy one of the requirements, or</p> <p>25 at least we try to make sure that it's a contract</p>
Page 31	Page 33
<p>1 S. Greenwald</p> <p>2 probably do hundreds of lien searches a year. I</p> <p>3 probably do. And many of them are used in</p> <p>4 anticipation of getting into a contract.</p> <p>5 Some of them are used when they get</p> <p>6 into contract. They don't want to maybe run a</p> <p>7 full-blown title, because they are only in a due</p> <p>8 diligence period and they have an ability to cancel</p> <p>9 the contract at any time. So they may not want to</p> <p>10 run a title search, but they want a lien search.</p> <p>11 Some people want to get a full title commitment.</p> <p>12 There are those that -- for example,</p> <p>13 in this particular case, the client called us and</p> <p>14 said at some point they wanted a contract vendee</p> <p>15 policy. And the contract vendee policy really says</p> <p>16 that this is the status of contract -- of the title,</p> <p>17 and we give them the commitment. And from that, we</p> <p>18 give them -- we issue them a policy at some point,</p> <p>19 once certain conditions are met. And we give them a</p> <p>20 policy that says this is a condition of title.</p> <p>21 Q. So at that point, you are certifying</p> <p>22 the current conditions of title in some respect?</p> <p>23 A. Yes.</p> <p>24 Q. And are you also insuring the contract</p> <p>25 and the authority, for example, of the person</p>	<p>1 S. Greenwald</p> <p>2 recorded so that the current condition of title is</p> <p>3 secure. There are times that we won't insure -- we</p> <p>4 won't need to record a contract, but you would take</p> <p>5 an exception to that in a policy. Make sure that</p> <p>6 that's understood, that we're not insuring the</p> <p>7 contract. We can't guarantee any of the conditions</p> <p>8 of title.</p> <p>9 And in this case, and in many cases,</p> <p>10 even without a contract vendee policy, if someone is</p> <p>11 either releasing funds, or whatever reason that is</p> <p>12 between the buyer and seller, they determine that</p> <p>13 they want to record a contract of sale, they will</p> <p>14 record either the contract of sale or a memorandum</p> <p>15 of the contract of sale. That's pretty standard.</p> <p>16 Q. So again, my question is specifically</p> <p>17 to this case. Do you know who wanted the contract</p> <p>18 recorded and why in this case?</p> <p>19 A. I don't recall.</p> <p>20 Q. For example, was it because a large</p> <p>21 deposit was being released and not being held in</p> <p>22 escrow? Would that be a reason to record the</p> <p>23 contract, to put the world on notice?</p> <p>24 MR. ZELMANOVITZ: Are you asking</p> <p>25 him to speculate?</p>

SHAUL C. GREENWALD

<p style="text-align: right;">Page 34</p> <p>1 S. Greenwald</p> <p>2 MR. ZUCKERBROD: I am asking him</p> <p>3 if he knows. I am not asking him to</p> <p>4 speculate.</p> <p>5 A. I don't recall.</p> <p>6 Q. Who was it at Riverside that</p> <p>7 handled -- again, at the outset, the day-to-day</p> <p>8 processing of this title work and the application,</p> <p>9 who had the responsibility to push the ball forward?</p> <p>10 A. I don't recall.</p> <p>11 Q. Was it you or somebody else?</p> <p>12 A. Definitely not me.</p> <p>13 Q. Definitely not you?</p> <p>14 A. That I do recall.</p> <p>15 Q. I just want to show you -- take a look</p> <p>16 at some documents. There are a couple of books in</p> <p>17 front of you which have all of the exhibits from the</p> <p>18 prior depositions. So instead of handing you new</p> <p>19 documents, we are going to refer to what has been</p> <p>20 previously marked.</p> <p>21 MR. ZELMANOVITZ: These are the</p> <p>22 same ones?</p> <p>23 MR. ZUCKERBROD: No. They are</p> <p>24 different. You will see on the front,</p> <p>25 there are different witnesses.</p>	<p style="text-align: right;">Page 36</p> <p>1 S. Greenwald</p> <p>2 September 10th, and then closed on September 19,</p> <p>3 2014, can you narrow the time when you believe you</p> <p>4 first saw that document using those dates?</p> <p>5 MR. ZELMANOVITZ: You are</p> <p>6 assuming he saw this in that time</p> <p>7 period?</p> <p>8 MR. ZUCKERBROD: No.</p> <p>9 Q. I am saying using those dates, does</p> <p>10 that help you narrow the time when you first may</p> <p>11 have seen the document? It could have been before</p> <p>12 September 10th. It could have been after</p> <p>13 September 19th.</p> <p>14 A. I don't recall.</p> <p>15 Q. It could have been in the middle?</p> <p>16 A. I don't recall.</p> <p>17 Q. No recollection?</p> <p>18 A. No recollection at all.</p> <p>19 Q. Do you recall that document becoming</p> <p>20 an issue in the closing? And when I say "the</p> <p>21 closing," I mean the closing of the contract which</p> <p>22 occurred on September 19th.</p> <p>23 A. I recall that there was a question as</p> <p>24 far as this operating agreement. I don't recall if</p> <p>25 I ever even saw the document. Potentially, I would</p>
<p style="text-align: right;">Page 35</p> <p>1 S. Greenwald</p> <p>2 Q. So I am going to refer you to a</p> <p>3 document which has been marked as Miller Exhibit 4.</p> <p>4 So if you can find the book that has Miller --</p> <p>5 MR. ZELMANOVITZ: Volume 1 or 2?</p> <p>6 MR. ZUCKERBROD: I don't know.</p> <p>7 MR. NASH: It should be the</p> <p>8 first one.</p> <p>9 Q. Kevin will help you out because he is</p> <p>10 a nice guy.</p> <p>11 A. Miller what?</p> <p>12 Q. So if you find Miller Exhibit 4, which</p> <p>13 is the first amendment to the operating agreement.</p> <p>14 Okay?</p> <p>15 MR. ZELMANOVITZ: Just give him</p> <p>16 a chance to take a look.</p> <p>17 MR. ZUCKERBROD: Of course.</p> <p>18 A. (Reviewing documents.) Yes.</p> <p>19 Q. Have you seen that document before?</p> <p>20 A. Yes.</p> <p>21 Q. When do you recall first seeing it?</p> <p>22 A. I don't recall.</p> <p>23 Q. Again, in the context of this</p> <p>24 transaction, which the documents seem to show first</p> <p>25 really got started in a meaningful way around</p>	<p style="text-align: right;">Page 37</p> <p>1 S. Greenwald</p> <p>2 be apprised of the information from someone in my</p> <p>3 office. Even if I would have been involved, that</p> <p>4 would be my involvement.</p> <p>5 Q. Okay. But I thought you said earlier</p> <p>6 that you do recall seeing the document -- you recall</p> <p>7 having seen it before, you just don't recall when?</p> <p>8 A. Yes, I have seen it, the document.</p> <p>9 Q. Okay. And I think you said you recall</p> <p>10 this document being an issue? An issue or being</p> <p>11 discussed?</p> <p>12 A. Discussed -- a discussion, yes.</p> <p>13 Q. Well, was it a problem?</p> <p>14 A. I don't recall.</p> <p>15 Q. You don't recall?</p> <p>16 A. We spoke about it.</p> <p>17 Q. Well, was there a bigger issue or a</p> <p>18 bigger problem in terms of getting this transaction</p> <p>19 closed other than that document?</p> <p>20 A. I don't recall.</p> <p>21 Q. Really?</p> <p>22 A. I don't.</p> <p>23 Q. Do you recall being told about this</p> <p>24 document by any of the other people at Riverside</p> <p>25 that worked on this matter?</p>

SHAUL C. GREENWALD

Page 38	Page 40
<p>1 S. Greenwald</p> <p>2 A. I don't recall.</p> <p>3 Q. You don't recall any discussions with</p> <p>4 Mr. Schon about the document?</p> <p>5 A. I don't recall.</p> <p>6 Q. Do you recall any discussions with</p> <p>7 Ms. Miller about the document? The document being</p> <p>8 Miller Exhibit 4.</p> <p>9 MR. ZELMANOVITZ: With which</p> <p>10 Miller?</p> <p>11 MR. ZUCKERBROD: Karla Miller.</p> <p>12 A. Karla Miller. I don't recall.</p> <p>13 Q. Do you recall any discussions with</p> <p>14 Polina Kohan about this document, the recorded first</p> <p>15 amendment?</p> <p>16 A. No.</p> <p>17 Q. Do you recall any discussions with</p> <p>18 Mr. Albstein, representing the purchaser, about this</p> <p>19 document?</p> <p>20 A. I don't recall.</p> <p>21 Q. Do you recall any discussions with</p> <p>22 Chaim Miller about this document?</p> <p>23 A. No.</p> <p>24 Q. Do you recall any discussions with Sam</p> <p>25 Sprei about this document?</p>	<p>1 S. Greenwald</p> <p>2 allow any further transfer of shares, the original</p> <p>3 operating agreement. And there is a restriction on</p> <p>4 transfer from the lender as well.</p> <p>5 In addition, the -- I believe this</p> <p>6 document -- let me just check.</p> <p>7 Yes. This document wasn't signed by</p> <p>8 one of the actual members, which is -- I think it's</p> <p>9 actually listed on one of the schedules. On</p> <p>10 Schedule A of the document that you presented, it</p> <p>11 names Chun Peter Dong as 32 percent interest, and he</p> <p>12 wasn't a signatory on this document.</p> <p>13 Q. So is there anything else that you can</p> <p>14 recall in your discussions with Mr. Schwartz about</p> <p>15 the document?</p> <p>16 A. That's all I recall.</p> <p>17 Q. And do you know when this</p> <p>18 discussion -- was this one discussion? Or did it</p> <p>19 occur several -- were there several discussions</p> <p>20 about it?</p> <p>21 A. I don't recall.</p> <p>22 Q. Now, I just want to go back to your</p> <p>23 answer. So you said that Mr. Schwartz told you that</p> <p>24 there was another document or, I take it, the</p> <p>25 original LLC operating agreement that said something</p>
Page 39	Page 41
<p>1 S. Greenwald</p> <p>2 A. No.</p> <p>3 Q. So as you sit here today, can you</p> <p>4 recall any discussions with this document with</p> <p>5 anybody else?</p> <p>6 A. I do recall that I spoke to</p> <p>7 Mr. Schwartz about it.</p> <p>8 Q. What did you talk to Mr. Schwartz</p> <p>9 about with regard to this document?</p> <p>10 A. If I recall correctly, that this</p> <p>11 document became some sort of an issue as far as --</p> <p>12 it was a recorded document, if I am not mistaken.</p> <p>13 Q. Can you speak up a little bit? It's</p> <p>14 hard to hear you.</p> <p>15 A. It's a recorded document. It was</p> <p>16 recorded.</p> <p>17 Q. Right.</p> <p>18 A. And the question was what this</p> <p>19 document was. And he felt that there was no issue</p> <p>20 at all, as he had represented to me, at least in our</p> <p>21 discussion, that he felt that he -- I believe he</p> <p>22 presented us with some sort of -- I shouldn't say</p> <p>23 what he presented to us, because I am not sure if I</p> <p>24 saw it at that time. But definitely, what he told</p> <p>25 me was that the regular operating agreement does not</p>	<p>1 S. Greenwald</p> <p>2 different?</p> <p>3 A. Correct.</p> <p>4 Q. Okay. And did he tell you that he</p> <p>5 believed that the terms of the original operating</p> <p>6 agreement gave Mr. Miller the authority to sell the</p> <p>7 property?</p> <p>8 A. Correct.</p> <p>9 Q. And you understood, I take it, that</p> <p>10 this document said something different, that</p> <p>11 Mr. Miller did not have the authority to sell the</p> <p>12 property without the written consent of the majority</p> <p>13 interest of the members?</p> <p>14 A. No, I didn't say that.</p> <p>15 Q. Okay. Did you read the document?</p> <p>16 A. I don't recall.</p> <p>17 MR. ZELMANOVITZ: Asked and</p> <p>18 answered.</p> <p>19 A. I don't recall.</p> <p>20 Q. So when you had your discussion with</p> <p>21 Mr. Miller and he told you these things about the</p> <p>22 document, did you look at the document and try to</p> <p>23 come to your own conclusion about what it meant,</p> <p>24 what its effect --</p> <p>25 MR. ZELMANOVITZ: Objection.</p>

SHAUL C. GREENWALD

Page 42	Page 44
<p>1 S. Greenwald 2 Asked and answered. 3 Q. You can answer. 4 MR. NASH: You can answer. 5 A. I don't recall. 6 Q. So when Mr. Miller told you that there 7 was another agreement that gave Mr. Miller the 8 authority, did you accept his statement or did you 9 question it in any way? Or did you have your other 10 numerous attorneys at your firm look at the issue? 11 A. I don't recall. 12 Q. Let me ask you this, Mr. Greenwald. 13 Eventually -- well, strike that. 14 This document showed up as a -- on the 15 title report; correct? 16 A. Correct. 17 Q. The initial title report that your 18 firm did. 19 And the attorneys were scrambling 20 around -- and if my words are incorrect, please 21 correct them -- during the week of September -- 22 between September 10th and September 19th to address 23 this issue; correct? 24 MR. ZELMANOVITZ: Objection. 25 That assumes facts not in evidence.</p>	<p>1 S. Greenwald 2 objection to the form. That's how it is 3 done. 4 MR. ZELMANOVITZ: Go ahead. Ask 5 your question, Mr. Zuckerbrod. 6 MR. ZUCKERBROD: Can you read 7 back my question, please. 8 (The record was read.) 9 Q. I am going to ask you a different 10 question. Okay? 11 Was this document the subject of 12 discussions between the attorney for the purchaser 13 and the attorney for the seller between September 14 10th and September 19th? 15 A. I don't know. 16 Q. You don't know, as you sit here today? 17 A. I don't know. 18 Q. Okay. So we will -- 19 A. I should say I don't recall at that 20 point. 21 Q. Well, what do you recall? 22 A. What I told you, which is that I spoke 23 to Mr. Schwartz about this document. 24 Q. Mr. Schwartz told you what? 25 MR. STEVENS: He answered that</p>
Page 43	Page 45
<p>1 S. Greenwald 2 MR. NASH: Okay. The minute he 3 used the word "scrambled," he told you 4 can -- 5 MR. ZUCKERBROD: Don't accept my 6 terminology. 7 MR. ZELMANOVITZ: Look, this is 8 Mr. Zuckerbrod's examination. Your turn 9 will come. 10 MR. ZUCKERBROD: Mr. 11 Zelmanovitz -- 12 MR. NASH: There is a 13 cordiality. You are breaking it. 14 MR. ZUCKERBROD: Kevin, Kevin, 15 please. 16 Mr. Zelmanovitz, this is not a 17 trial. Okay? If you have an objection 18 to the form, say so. 19 MR. ZELMANOVITZ: I just did. I 20 didn't direct the witness not to answer. 21 MR. ZUCKERBROD: You don't have 22 to give speeches. 23 MR. ZELMANOVITZ: My objection 24 is on the record. 25 MR. ZUCKERBROD: Just say</p>	<p>1 S. Greenwald 2 already. 3 A. I told you that he told me that this 4 document is not valid. 5 Q. Okay. So let's take it from there. 6 Did he say why he thought it was not valid? 7 A. I think I made the points already. 8 That it wasn't signed by Mr. Dong -- 9 Q. So let's start there. So he said it 10 was not valid because it was not signed by Mr. Dong? 11 A. Right. 12 Q. Who was one of the LLC members? 13 A. Right. As far as the transfer of 14 membership. 15 MR. ZELMANOVITZ: Let him finish 16 the answer. 17 A. As far as the transfer of membership 18 interest. 19 In addition, as I mentioned before, 20 the -- which is a requirement of the original 21 operating agreement. And that there was a lender 22 that restricted the transfer of shares of membership 23 interest. 24 Q. That there was a lender that 25 restricted -- so can you explain what Mr. Schwartz,</p>

SHAUL C. GREENWALD

<p style="text-align: right;">Page 46</p> <p>1 S. Greenwald 2 to your understanding, meant by that? 3 A. That any document trying to transfer 4 interest or changing the operating agreement would 5 be invalid. 6 Q. Because the lender had the right to 7 restrict the transfer of shares? 8 A. Yes. I think I said that. 9 Q. So in Mr. Schwartz' opinion, as you 10 understood it, he was saying essentially that 11 Mr. Miller had no authority to transfer any shares; 12 correct? 13 A. To transfer the shares that he 14 transferred. 15 Q. And as a result, this document was not 16 valid? 17 A. That's what I said. 18 Q. Did you talk to Mr. Miller after you 19 spoke with Mr. Schwartz about that subject? 20 A. I don't believe so. 21 Q. You didn't check with him? 22 A. No. 23 Q. You didn't check with him to see 24 whether he had obtained the consent of the lender to 25 transfer shares?</p>	<p style="text-align: right;">Page 48</p> <p>1 S. Greenwald 2 by this document itself, just looking at the 3 document, it says that Mr. Miller apparently does 4 not have the authority to sell the property absent 5 written consent of the majority of the members; 6 correct? 7 MR. ZELMANOVITZ: The 8 document -- 9 Q. Take a look at paragraph 2 at the 10 bottom of page 1. 11 MR. ZELMANOVITZ: The document 12 speaks for itself, but I will let the 13 witness answer. 14 MR. ZUCKERBROD: Well, he 15 is an -- yes. Thank you. 16 A. (Reviewing documents.) Yes, I would 17 agree with that statement. 18 Q. Okay. Take a look at the deposition 19 book which contains the exhibits of the Schwartz 20 deposition. I don't know if it's in that same book. 21 It might be in the second one. 22 MR. ZELMANOVITZ: Schwartz. It 23 must be this one. 24 Q. Yes. It's a little hard to find the 25 Schwartz tab too. It's hidden some place.</p>
<p style="text-align: right;">Page 47</p> <p>1 S. Greenwald 2 A. No. 3 Q. Now, did Mr. Schwartz give you any 4 other reasons why he believed the document was not 5 valid? 6 A. Other than the ones I stated? 7 Q. Yes, other than the ones you stated. 8 A. I don't recall. 9 Q. Okay. Did Mr. Schwartz tell you or 10 say anything about the document being signed under 11 any pressure, any duress, or anything like that? 12 A. I don't recall. 13 Q. So even though Mr. Schwartz told you 14 that he believed the document was not valid because 15 there were restrictions on the ability of Mr. Miller 16 to transfer shares, there were efforts undertaken to 17 obtain the consent of the other parties to this 18 document -- the other parties being Mr. Yang and 19 Mr. Chau -- to sign a document in which they would 20 terminate their interest; correct? 21 A. I don't recall. 22 Q. Let me refer you to some other 23 documents which might help refresh your recollection 24 a little bit. 25 Before I do that, you would agree that</p>	<p style="text-align: right;">Page 49</p> <p>1 S. Greenwald 2 MR. ZELMANOVITZ: Got it. Which 3 number? 4 Q. Exhibit 10, Schwartz Exhibit 10. So I 5 am going to refer you -- it's a chain of emails. I 6 am going to refer you to the first email on top, 7 which is an email dated September 10, 2014, from 8 Mr. Schwartz to Polina Kohan, Karla at 9 RSAAbstract.com, and a cc to yourself and Mr. Schon. 10 Do you see that one? 11 A. Yes. 12 Q. Okay. So Mr. Schwartz states to the 13 group that there is a recorded operating agreement, 14 and he asks the question, "What would we need to 15 have filed to remove it of record?" Then he goes on 16 to state "Would a simple document entitled 17 'termination' suffice?" Do you see that? 18 A. Yes. 19 Q. Did you respond to that at all? Did 20 you have any input into Mr. Schwartz' question 21 there? 22 A. I don't recall. 23 Q. So if -- I guess the question is: If, 24 as you understand it, Mr. Schwartz told you that 25 this recorded operating agreement was not valid, why</p>

SHAUL C. GREENWALD

<p style="text-align: right;">Page 50</p> <p>1 S. Greenwald 2 was he undertaking these efforts to have it removed? 3 MR. ZELMANOVITZ: Objection. 4 Calls for speculation. 5 MR. ZUCKERBROD: If he knows. 6 Q. Based on your discussion with 7 Mr. Schwartz. 8 A. I don't know. 9 Q. Did you believe it should be removed? 10 A. I don't recall. 11 Q. Take a look -- we are going to jump 12 back and forth mostly between the Schwartz and 13 Miller exhibits, so if you could have them handy. 14 A. Okay. Where is Miller? 15 Q. So take a look at Miller Exhibit 20. 16 MR. ZELMANOVITZ: You have to 17 get smaller books. 18 Q. So on Miller Exhibit 20 I would ask 19 you to go to the fourth page of the document, which 20 has a Bates-stamp number at the bottom 05338. 21 MR. ZELMANOVITZ: Just give me 22 one second. 23 Q. Tell me when you are ready. 24 So I am looking at the email, 25 Mr. Schwartz' email of September 11th, 12:25 p.m.,</p>	<p style="text-align: right;">Page 52</p> <p>1 S. Greenwald 2 Q. If Mr. Schwartz -- as far as you know, 3 if he believed that the recorded amendment was not 4 valid, why was this an issue? Why were -- 5 MR. ZELMANOVITZ: Objection. 6 MR. ZUCKERBROD: Let me finish 7 the question, please. 8 MR. ZELMANOVITZ: Go ahead. 9 Q. Why was this a topic of concern? 10 MR. ZELMANOVITZ: Objection. 11 Asked and answered. 12 MR. NASH: You can answer. 13 A. I don't recall. 14 Q. Take a look at the email on the top of 15 that same page where Mr. Schwartz that same day, 16 half an hour later, writes to you and Karla again 17 saying, "Sorry to bug on this, but we have a 18 2:00 p.m. meeting to get this executed, and I need 19 to know whether it will be sufficient." Do you see 20 that? 21 A. Yes. 22 Q. So how did you respond? 23 A. I didn't, I don't think. I don't 24 recall. 25 Q. Well, if you turn to the previous</p>
<p style="text-align: right;">Page 51</p> <p>1 S. Greenwald 2 to your -- 3 A. Could I -- do you want me only to read 4 this email, or do you want me to read the 5 communication -- 6 Q. I am going to ask about a couple of 7 emails, but I am referring to the email at the 8 bottom of page 05338 to start. 9 A. Okay. 10 Q. It's an email from Mr. Schwartz on 11 September 11th to Karla at RS Abstract and yourself. 12 A. Uh-huh. 13 Q. And Mr. Schwartz asked the question, 14 "Please see attached draft termination and advise if 15 this is sufficient to remove the recorded first 16 amendment from record." Do you see that? 17 A. Yes. 18 Q. So do you recall receiving from 19 Mr. Schwartz a draft termination -- 20 A. No. 21 Q. -- agreement? 22 A. No. 23 Q. Do you know why Mr. Schwartz wanted a 24 termination agreement? 25 A. No.</p>	<p style="text-align: right;">Page 53</p> <p>1 S. Greenwald 2 page, which has a number 3 on the bottom. 3 A. Yes. 4 Q. Mr. Schon writes back to Mr. Schwartz 5 and yourself and Ms. Miller and says, "It looks 6 fine, but please change the name of one of the 7 parties"; correct? 8 A. Correct. 9 Q. So why was your -- one of your 10 counsel, Mr. Schon, participating in the discussions 11 about this agreement if Mr. Schwartz and perhaps you 12 yourself, if that's the case, didn't think this 13 recorded agreement was an issue? 14 MR. ZELMANOVITZ: Objection. 15 A. I don't recall. 16 Q. Did you ever go back and look at the 17 original operating agreement? 18 A. Have I since that time? 19 Q. No. At this time in September, when 20 this issue had come up, did you ever go back and 21 look at the original operating agreement? 22 A. I don't recall. 23 Q. So as the CEO of Riverside and as the 24 chief lawyer there and as an owner of the company, 25 you never went back and looked at that operating</p>

SHAUL C. GREENWALD

Page 54

1 S. Greenwald
2 agreement to validate Mr. Schwartz' opinion?
3 A. I didn't say I didn't. I said I don't
4 recall.
5 Q. Well, from that answer it sounds like
6 you did.
7 MR. ZELMANOVITZ: Objection.
8 A. That's not what I said.
9 Q. So you may have or you may not have?
10 A. It's possible, of course.
11 Q. So you are acting as the agent for Old
12 Republic Title Company, you are binding them to a
13 \$65 million insurance policy; correct?
14 A. Correct.
15 Q. And you are insuring the contract;
16 correct?
17 A. Correct.
18 Q. And an issue had come up about whether
19 Mr. Miller had authority to execute that contract;
20 correct?
21 A. Correct.
22 Q. And you are telling me you never went
23 back and looked at the operating agreement?
24 MR. ZELMANOVITZ: Objection.
25 That's not his testimony.

Page 55

1 S. Greenwald
2 MR. ZUCKERBROD: Stop yelling.
3 I heard his testimony. Just object to
4 the form.
5 MR. ZELMANOVITZ: Just stop the
6 trickery.
7 MR. ZUCKERBROD: Don't tell me
8 to stop the trickery.
9 MR. NASH: It's not trickery.
10 The man has answered about 90 percent of
11 the questions "I don't recall."
12 MR. ZUCKERBROD: Yes. So I am
13 going to help him recall.
14 MR. ZELMANOVITZ: You are
15 helping him recall what you would like
16 him to recall, not what he recalls.
17 MR. ZUCKERBROD: He is going to
18 recall what he wants to recall. So I am
19 going to help him with the documents.
20 MR. ZELMANOVITZ: Go on.
21 MR. ZUCKERBROD: And stop
22 interrupting me.
23 Can you read back my last
24 question and the answer, please.
25 (The record was read.)

Page 56

1 S. Greenwald
2 Q. And the answer is?
3 A. I don't recall.
4 Q. Do you know if Mr. Schon, Elliot
5 Schon, was more involved in the day-to-day
6 discussions on this issue than you were?
7 A. It seems so.
8 Q. So if you don't recall certain
9 answers, would Mr. Schon have those answers?
10 MR. ZELMANOVITZ: It calls for
11 speculation. Objection.
12 Q. If you know.
13 Would he know more than you do on the
14 subject?
15 A. I don't know.
16 Q. Please look at the same document, the
17 email from Mr. Schon, on September 11th at
18 5:02 p.m., where he asked "If other members are on
19 board" --
20 MR. ZELMANOVITZ: Could you tell
21 us exactly where you are reading from?
22 MR. ZUCKERBROD: Yes. Page 1,
23 email from Elliot Schon, 5:02 p.m.,
24 9/11/2014.
25 MR. NASH: What exhibit is that

Page 57

1 S. Greenwald
2 again?
3 MR. ZUCKERBROD: Same exhibit,
4 Miller 20.
5 Q. Mr. Schon asks the question "If other
6 members are" --
7 MR. ZELMANOVITZ: One second.
8 MR. ZUCKERBROD: I am sorry.
9 MR. ZELMANOVITZ: Okay.
10 Q. So my question is: Mr. Schon says in
11 his email, "If other members are on board and can
12 you get the info I requested below from them." Do
13 you see that?
14 A. Yes.
15 Q. You are copied on the email; correct?
16 A. Yes.
17 Q. Do you know what he was referring to
18 there?
19 A. I can read the agreement. I can read
20 the email that you have in front of me. Is that
21 what you want me to do?
22 Q. Yes.
23 A. There are a bunch of different people
24 that were listed on the agreement, and they were
25 getting their consent. It sounds like they wanted

SHAUL C. GREENWALD

<p style="text-align: right;">Page 58</p> <p>1 S. Greenwald</p> <p>2 to get their consent for -- I guess it is talking</p> <p>3 about the termination still. It says "I call for</p> <p>4 the termination of the operating agreement."</p> <p>5 Q. So they were trying to get -- someone</p> <p>6 was trying to get the consents of the people listed</p> <p>7 on the recorded agreement; correct?</p> <p>8 A. Correct.</p> <p>9 Q. Take a look at Schwartz Exhibit 19,</p> <p>10 please. Can you take a moment and look at it, and</p> <p>11 can you please tell me what that document is?</p> <p>12 A. (Reviewing document.) I don't know.</p> <p>13 Q. You don't know what this document is?</p> <p>14 A. It's a title commitment. It looks</p> <p>15 like a title commitment.</p> <p>16 Q. Is this part of a title commitment</p> <p>17 Schedule B from the 45 John Street transaction?</p> <p>18 A. It doesn't look like my form.</p> <p>19 Q. Do you believe that this is somebody</p> <p>20 else's form?</p> <p>21 A. I don't know.</p> <p>22 Q. Let me refer -- let's take a look at</p> <p>23 page 6 of the document. If you look at the top it</p> <p>24 says Schedule B, page 6 of 11.</p> <p>25 A. Maybe we are looking at the wrong</p>	<p style="text-align: right;">Page 60</p> <p>1 S. Greenwald</p> <p>2 signed contract. And attached to it as an exhibit,</p> <p>3 as Exhibit C, is something called a marked-up title</p> <p>4 commitment. So I would ask you to turn to that</p> <p>5 document, which starts with Bates-stamp number GWFG</p> <p>6 2344 on the bottom right-hand corner.</p> <p>7 A. Okay.</p> <p>8 Q. Okay. And you can take a moment and</p> <p>9 look through that. And I will ask the same</p> <p>10 question, whether you recognize this document.</p> <p>11 A. (Reviewing documents.) Yes.</p> <p>12 Q. And what do you recognize it to be?</p> <p>13 A. It's a Riverside abstract commitment.</p> <p>14 Q. Is this the marked-up commitment that</p> <p>15 became part of the contract and represents the</p> <p>16 commitment to issue the insurance on behalf of</p> <p>17 Chicago Title?</p> <p>18 A. Well, I am not sure how you are</p> <p>19 qualifying that. But it seems like a commitment</p> <p>20 that was marked up, and that's not the policy. So</p> <p>21 it's not the actual policy, but it is a commitment</p> <p>22 that was marked up.</p> <p>23 Q. My understanding is that a policy is</p> <p>24 not issued or finalized until sometime after a</p> <p>25 closing?</p>
<p style="text-align: right;">Page 59</p> <p>1 S. Greenwald</p> <p>2 document.</p> <p>3 MR. ZELMANOVITZ: Here it is.</p> <p>4 A. Got it.</p> <p>5 Q. So you will see in the left-hand</p> <p>6 margin there are some notations on that page. It</p> <p>7 says "Amended 9/12/14, MGS." Do you see where that</p> <p>8 is?</p> <p>9 A. Yes, I see that.</p> <p>10 Q. Do you know what that reference is?</p> <p>11 A. I don't know.</p> <p>12 Q. Do you know what "MGS" stands for?</p> <p>13 A. No idea.</p> <p>14 Q. So as you sit here today, you can't</p> <p>15 identify this document?</p> <p>16 A. I cannot identify this document.</p> <p>17 Q. Let's take a look then at Sprei</p> <p>18 Exhibit 10.</p> <p>19 MR. ZELMANOVITZ: Which exhibit?</p> <p>20 MR. ZUCKERBROD: Sprei Exhibit</p> <p>21 10.</p> <p>22 MR. ZELMANOVITZ: Sprei. Any</p> <p>23 particular --</p> <p>24 Q. Yes. So Sprei Exhibit 10 is the</p> <p>25 contract agreement of purchase and sale. It's a</p>	<p style="text-align: right;">Page 61</p> <p>1 S. Greenwald</p> <p>2 A. No.</p> <p>3 Q. No?</p> <p>4 A. That's not correct.</p> <p>5 Q. So is the actual policy handed to the</p> <p>6 insured at the closing?</p> <p>7 A. In New York, that's generally -- and</p> <p>8 again, we're not talking about a closing in this</p> <p>9 case. We are talking about a contract.</p> <p>10 Q. Right, a contract.</p> <p>11 A. But again, in New York, generally the</p> <p>12 owner or the attorney gets a -- receives a policy</p> <p>13 for the owner or in this case a contract of deed at</p> <p>14 the time of the closing.</p> <p>15 Q. At the time of the closing.</p> <p>16 Was that done in this case, the 45</p> <p>17 John Street transaction?</p> <p>18 A. I don't recall.</p> <p>19 Q. I would ask you to review and search</p> <p>20 your records. And if you have not produced it</p> <p>21 already, to produce the final title policy that was</p> <p>22 issued at the closing of the contract here.</p> <p>23 A. Okay.</p> <p>24 Q. Okay?</p> <p>25 MR. ZELMANOVITZ: I am pretty</p>

SHAUL C. GREENWALD

Page 62

1 S. Greenwald
2 sure we actually produced it.
3 MR. ZUCKERBROD: Okay. And I
4 will double-check.
5 MR. ZELMANOVITZ: In fact,
6 multiple copies.
7 Q. Okay. So explain to me what happens,
8 or as you look at this document, what the markups
9 are and what does this show?
10 A. A commitment is a -- as we discussed
11 before, a commitment is generally just a status of
12 title at the moment of the commitment. We don't
13 always have all of the correct information as far as
14 different unreported items.
15 For example, in this case, we don't
16 know when their closing date would be; we don't know
17 who our closer would be; we don't know who the
18 proposed insured is in this situation. It could be
19 left as TBD. We didn't know a dollar value, et
20 cetera. So many different things that could have
21 happened. And many times it could be a continuation
22 of title prior to -- on the day of the closing, the
23 day before the closing, and we would add that to the
24 commitment. So there are other things that change
25 at this point.

Page 63

1 S. Greenwald
2 Q. Okay. So looking at this document it
3 appears that something was issued initially and then
4 it was recertified, it looks like on 9/18/2014?
5 A. That's what it looks like.
6 Q. Who is Alan Hirsch?
7 A. Alan Hirsch is an independent closer.
8 Q. He attends closings on behalf of --
9 A. At times, yes.
10 Q. So it looks to me as if the policy was
11 marked to show that insurance in the amount of
12 \$64,500,000 was going to be issued?
13 A. That's what it looks like, yes.
14 Q. And it looks like the proposed insured
15 has now been identified as HS 45 John LLC?
16 A. That's correct.
17 Q. Do you see that?
18 A. Yes, I do.
19 Q. Above that it says "ALTA loan policy
20 with New York endorsement modifications." What does
21 that mean?
22 A. It's just a standard form, so it came
23 on there. I don't know why it would be there. But
24 it does say ALTA loan policy.
25 Q. I am sorry.

Page 64

1 S. Greenwald
2 A. An ALTA loan policy is a -- generally
3 what a lender would get if there was a refinance of
4 a transaction.
5 Q. And then here it says "Borrower, 45
6 John Lofts LLC"?
7 A. Yes.
8 Q. So was Riverside issuing -- again, on
9 behalf of the title company -- a loan policy?
10 A. I don't recall. But the facts that I
11 know now, we did not insure a loan policy.
12 Q. Did the discussions start out to issue
13 a loan policy here?
14 A. I don't have recollection of that at
15 the beginning of what happened. I know at some
16 point, from documentation, potentially that was the
17 case.
18 Q. Okay. So if you could turn a few
19 pages in, starting with the Schedule B exceptions.
20 A. Uh-huh.
21 Q. Okay. Which starts on the bottom of
22 Bates-stamp page 2348. And again, in the left-hand
23 margin there are handwritten notation. Can you just
24 explain what those are, what they mean?
25 A. Yes. A title closer would mark up a

Page 65

1 S. Greenwald
2 title commitment with information relevant to each
3 exception. So the first one, for example, taxes,
4 tax liens, tax sales, water rates, sewer rates, and
5 assessments set forth herein is a standard
6 exception.
7 He wrote "herein" which means that
8 there will be a tax search that would be potentially
9 later on in the document.
10 Q. Right.
11 A. And you would be able to look over
12 there and see what the disposition was on that
13 particular exception, title exception.
14 Q. If the notation, for example, number 4
15 says "except" -- I think that's what it says.
16 A. Yes.
17 Q. What does that mean, as a practical
18 matter?
19 A. So "except" means that will be in your
20 final policy, and we're not insuring over that --
21 Q. It's an exception to insurance?
22 A. It's an exception. Except as in
23 E-X-C-E-P-T.
24 Q. Again, turning the page, there are
25 some handwritten notations that would seem to say

SHAUL C. GREENWALD

Page 66	Page 68
<p>1 S. Greenwald</p> <p>2 "omit"; correct?</p> <p>3 A. Correct.</p> <p>4 Q. What does "omit" mean?</p> <p>5 A. Omit generally means -- not generally</p> <p>6 means -- that the insurance policy will not bring</p> <p>7 that particular exception up on their final policy.</p> <p>8 Q. It's omitted as an exception?</p> <p>9 A. It's omitted as an exception.</p> <p>10 Q. So turn to the next page, which is</p> <p>11 Bates-stamp No. 2350 on the bottom. So --</p> <p>12 A. Uh-huh.</p> <p>13 Q. So let's look at Items 15 and 16,</p> <p>14 which looks like are omitted; correct?</p> <p>15 A. (No verbal answer.)</p> <p>16 Q. So in Item 15, it states that "Proof</p> <p>17 is required as to the following with regard to 45</p> <p>18 John Lofts LLC." Do you see that?</p> <p>19 A. Yes.</p> <p>20 Q. So was that proof furnished to</p> <p>21 Riverside prior to the issuance of the title policy?</p> <p>22 A. Just for clarification purposes, do</p> <p>23 you mind telling me 45 John Lofts LLC is again the</p> <p>24 seller; correct?</p> <p>25 Q. Seller.</p>	<p>1 S. Greenwald</p> <p>2 A. Yes.</p> <p>3 Q. Was that proof furnished?</p> <p>4 A. Could we look at the -- if that's the</p> <p>5 same -- what is that? That's Miller --</p> <p>6 Q. Miller 4, it's the recorded first</p> <p>7 amendment to the 45 John Lofts.</p> <p>8 MR. ZELMANOVITZ: What was that</p> <p>9 exhibit?</p> <p>10 MR. ZUCKERBROD: Miller</p> <p>11 Exhibit 4.</p> <p>12 MR. ZELMANOVITZ: 4.</p> <p>13 A. Again, I would have to assume if we</p> <p>14 omitted it that we made a determination that --</p> <p>15 Q. You are speaking very softly.</p> <p>16 A. I would have to assume if we made a</p> <p>17 determination to omit that there was a reason for</p> <p>18 it.</p> <p>19 Q. Well, my question is a little</p> <p>20 different. My question is: Did you receive proof</p> <p>21 of compliance with that document?</p> <p>22 A. I don't recall.</p> <p>23 Q. And going back to your last answer, I</p> <p>24 think -- what did you say? You said you assume</p> <p>25 there was a reason that you omitted it; correct?</p>
Page 67	Page 69
<p>1 S. Greenwald</p> <p>2 A. Just too many Johns going on around</p> <p>3 here.</p> <p>4 I don't recall.</p> <p>5 Q. Who would have the answer to that?</p> <p>6 A. I wouldn't know who has the answer to</p> <p>7 that, but someone likely in my office.</p> <p>8 Q. Would your files reflect that?</p> <p>9 A. Likely, we would have.</p> <p>10 Q. So would any documentation that was</p> <p>11 provided with regard to these requests be contained</p> <p>12 in your files?</p> <p>13 A. I assume so, yes.</p> <p>14 Q. If they were not contained in the</p> <p>15 files, does that mean you didn't receive it? If you</p> <p>16 know.</p> <p>17 A. I don't recall. I don't know.</p> <p>18 Q. Take a look at Item 16.</p> <p>19 A. Yes.</p> <p>20 Q. Which says "Proof of compliance with</p> <p>21 first amendment to operating agreement," and then it</p> <p>22 goes on to say -- which I believe is the same</p> <p>23 recorded operating agreement we have seen before as</p> <p>24 Miller Exhibit 4. And that exception is omitted.</p> <p>25 Do you see that?</p>	<p>1 S. Greenwald</p> <p>2 A. (No verbal answer.)</p> <p>3 Q. What was the reason you omitted it?</p> <p>4 A. I don't recall.</p> <p>5 Q. As you sit here today, you can't tell</p> <p>6 us why that exception was omitted from this title</p> <p>7 policy?</p> <p>8 A. I don't recall.</p> <p>9 Q. Who would know the answer to that</p> <p>10 question?</p> <p>11 A. I don't know.</p> <p>12 Q. Mr. Greenwald, that seems to be the</p> <p>13 hundred-thousand-dollar question in this litigation,</p> <p>14 or one of them. So we have spent a lot of time in</p> <p>15 depositions and documents trying to find out the</p> <p>16 answer to that question, which is why Riverside</p> <p>17 omitted that exception.</p> <p>18 Just so I understand your testimony,</p> <p>19 you are saying you don't know, as you sit here</p> <p>20 today?</p> <p>21 A. I said I don't recall.</p> <p>22 Q. Do you know?</p> <p>23 A. I can't tell you what happened at that</p> <p>24 point. I don't recall.</p> <p>25 Q. Let me ask you this: Could you go</p>

SHAUL C. GREENWALD

Page 70	Page 72
<p>1 S. Greenwald 2 back and find out, from reviewing your files or 3 speaking with people, why that was omitted as an 4 exception? 5 MR. ZELMANOVITZ: Objection. 6 Calls for speculation. 7 MR. ZUCKERBROD: No. It's a 8 yes-or-no question. 9 MR. ZELMANOVITZ: No. It calls 10 for speculation. "Could you" calls for 11 speculation. 12 MR. ZUCKERBROD: Your objection 13 is noted. 14 Q. Please answer the question. 15 A. I could try to speak to people in my 16 office and try to recollect or try to go back and 17 see, but -- 18 Q. Who would you speak to in your office? 19 A. I would speak to Elliot Schon, I 20 think. 21 Q. Anybody else? 22 A. Others that were involved in the file 23 that I mentioned before. 24 Q. Who do you think is the person most 25 likely to know the answer to that question?</p>	<p>1 S. Greenwald 2 the answer to that question? 3 MR. ZELMANOVITZ: Objection. 4 Calls for speculation. 5 Q. If you know. 6 A. I don't know. 7 MR. NASH: Can I just ask one 8 question? 9 MR. ZUCKERBROD: Sure. 10 MR. NASH: Did you have any 11 conversations with Old Republic as to 12 why Riverside omitted 15 and 16 on the 13 abstract? 14 MR. ZELMANOVITZ: Objection. 15 Direction not to answer that question. 16 MR. NASH: On what basis? 17 MR. ZELMANOVITZ: Attorney- 18 client. 19 MR. NASH: Attorney-client, Old 20 Republic? 21 MR. ZUCKERBROD: How is that 22 attorney-client? 23 MR. ZELMANOVITZ: He is an agent 24 of Old Republic and the people he spoke 25 to at Old Republic were counsel.</p>
Page 71	Page 73
<p>1 S. Greenwald 2 A. I don't know. 3 Q. Is it Elliot Schon? 4 A. Possibly. 5 Q. What about Karla Miller? Would she 6 know? 7 A. I don't know. 8 Q. What about Polina Kohan? Would she 9 know? 10 A. Likely not. 11 Q. Likely not. Okay. We will take her 12 off the list. 13 What about Mark Pollak? Would he 14 know? 15 A. Likely not. 16 Q. Likely not. 17 What about Azi, the CFO? Would he 18 know? 19 A. Definitely not. 20 Q. Definitely not. Okay. 21 So it sounds like the people that 22 might know would be Elliot Schon or Karla Miller; 23 correct? 24 A. Yes. 25 Q. Is there anybody else that might know</p>	<p>1 S. Greenwald 2 MR. NASH: But he is not looking 3 for legal advice. 4 MR. ZUCKERBROD: This is a 5 business transaction. 6 MR. ZELMANOVITZ: You are 7 talking about a title policy claim that 8 has been made, and you are asking about 9 conversations with Old Republic relating 10 to that claim between Mr. Greenwald and 11 people at Old Republic who are counsel 12 at Old Republic. 13 MR. NASH: No. What we are 14 trying to do -- 15 MR. ZELMANOVITZ: Direction not 16 to answer. 17 MR. NASH: Okay. You are just 18 going down the wrong path. What we are 19 trying to do, and we find his testimony 20 quite incredible, that he does not 21 recall, does not know why these two 22 significant omissions were made. 23 Now, everybody has testified in 24 this case -- has asked a lot more 25 difficult questions and have given more</p>

SHAUL C. GREENWALD

Page 74	Page 76
<p>1 S. Greenwald 2 comprehensive answers than "I don't 3 know," and I can tell you that. So I 4 find it unbelievable that he doesn't 5 know. 6 However, I also find it 7 unbelievable that Old Republic didn't 8 ask him, and I know they had to ask him, 9 and I know he had to answer them. And 10 for you to cover up that discussion 11 under the cloak of some attorney-client 12 privilege when it's a business 13 relationship between a principal and an 14 agent is just -- you are just trying to 15 delay us from getting to the bottom of 16 this. And it's unfair. 17 We have convened this deposition 18 to accommodate your client. We have 19 done everything we can to get it. We 20 started at 8:00 o'clock on a holiday 21 weekend, and all of that. But we are 22 here just to get answers. And you are 23 just not giving us any answers, and you 24 are obviously covering things up. 25 Now, I would like you to rethink</p>	<p>1 S. Greenwald 2 raising their voice. 3 MR. ZELMANOVITZ: Let me finish 4 now. 5 MR. ZUCKERBROD: Now you are 6 raising your voice. 7 MR. NASH: Nobody is raising 8 their voice. 9 MR. ZELMANOVITZ: I am going to 10 finish. I just sat here for five 11 minutes where Mr. Nash has wasted all of 12 our time -- 13 MR. NASH: Oh, please. 14 MR. ZELMANOVITZ: -- doing a 15 colloquy, which is of no purpose 16 whatsoever. 17 If you want to continue this 18 deposition, do so. If you have a 19 problem, deal with it quickly, on the 20 record. We are only here for a limited 21 period of time. 22 MR. NASH: Who said that also? 23 MR. ZUCKERBROD: Let me finish. 24 BY MR. ZUCKERBROD: 25 Q. Okay. Mr. Greenwald --</p>
Page 75	Page 77
<p>1 S. Greenwald 2 that position, to discuss it with your 3 client, and just give us what really 4 happened here so we can make sense of 5 it. Because I find it incredible. I 6 think everybody else in this room finds 7 it incredible that nobody knows why they 8 omitted two very significant items when 9 there is an email trail up and down as 10 to trying to get terminations, not 11 terminations, and so forth. 12 MR. ZELMANOVITZ: It's 13 incredible to me how many inaccuracies 14 you have placed in your statement after 15 I have read the transcripts that have 16 taken place and the depositions here, 17 including of your client. 18 So you are one of the most 19 cynical -- 20 MR. NASH: You are right, that I 21 am. 22 MR. ZELMANOVITZ: I must tell 23 you -- and for someone who talks about 24 cordiality, raising your voice at my -- 25 MR. ZUCKERBROD: No one is</p>	<p>1 S. Greenwald 2 A. Yes. 3 Q. -- as you sit here today and as best 4 as you can recall, were there reasons other than 5 Mr. Schwartz telling you that he didn't believe the 6 recorded first amendment to the operating agreement 7 was valid, were there other reasons, other than what 8 Mr. Schwartz told you, why Items 15 and 16 were 9 omitted as exceptions? 10 A. I know that was on my side when I 11 spoke to him. It was not -- definitely not close to 12 September 10th or 11th, that I recall. It had to be 13 likely closer to the day of the closing. 14 I don't get involved almost at all 15 with files that may close. We have had hundreds and 16 hundreds of files that haven't closed. Probably 17 close to a thousand closings a year that we input 18 into our system, we deal with and we don't close. 19 That's a lot of time, a lot of effort, a lot of 20 money that goes into it. Lots and lots of things. 21 I try to keep myself busy with big picture items. I 22 do not get involved almost at all in anything else. 23 I am copied on lots of emails, lots of 24 emails. When I say lots, probably an average of 25 over 500 emails a day that I receive, since the last</p>

SHAUL C. GREENWALD

Page 78

1 S. Greenwald
2 few years, every day, at least. I work very long
3 hours. I am in my office every day 7:30 in the
4 morning. I leave my office not before -- after
5 dinner or whatever else I am doing, back and forth,
6 going back to my office emails -- but generally, I
7 don't get home before 10:00 o'clock at night.
8 Usually later. I am in my office Sundays, quite
9 busy.
10 I try to keep myself as efficient as
11 possible. I don't get involved in details of my
12 day-to-day operation unless it's necessary.
13 So I don't recall many details of this
14 transaction, but I can tell you that I did speak to
15 Mr. Schwartz prior to this closing. I don't recall
16 the date. But I am almost certain that I wouldn't
17 have gotten involved in any of this conversation
18 prior to close, very close to the closing.
19 Let me just explain, because I am a
20 very straightforward and honest person. But let me
21 explain to you that the time frame of this
22 closing -- aside from the fact that we do have a
23 large office and a lot going on -- happened to be
24 the Friday, that particular day, was my son's bar
25 mitzvah. We had --

Page 79

1 S. Greenwald
2 Q. Your son's bar mitzvah was on the
3 18th?
4 A. It was the 18th. It was on Friday
5 evening. That week was pretty hectic for me. Aside
6 from the fact that I run a business and quite a busy
7 office, I do get a little bit involved in family
8 issues, at times. I have five children, and my
9 fourth son was being bar mitzvah'd on that day. So
10 I could tell you that a lot was going on.
11 So if I sound like I am not trying to
12 answer the questions, I am trying to be as
13 straightforward and honest of what I actually do
14 recall.
15 I do recall having a conversation with
16 Mr. Yisroel Schwartz. I believe that a very
17 significant part of the reason why we omitted this
18 was based on the conversation I had personally with
19 Yisroel Schwartz.
20 Q. Okay. I understand that. So my
21 question is: Other than your conversation with
22 Mr. Schwartz, are there any other reasons you can
23 think of or is anything else out there that led
24 Riverside to omit this as an exception?
25 A. While we are speaking, I could tell

Page 80

1 S. Greenwald
2 you that there was potential that -- not potential.
3 I would probably -- see, I am a little bit -- I
4 don't want to say confused, but definitely not sure
5 if it's from my recollection from the documents I am
6 seeing or from what I actually recall.
7 But from the documents I see it seems
8 that they were trying to remove this document of
9 record. That's clear. Why they were trying to do
10 that, I don't recall why they wanted to do that.
11 Because based on what Yisroel Schwartz did tell me
12 at some point, there potentially was no reason to
13 remove it. By the fact that we closed it, I
14 would -- it would tend to suggest that we didn't
15 think it was necessary. However, from the emails it
16 would seem that even -- this wasn't a closing, let's
17 clarify. It was a contract vendee policy. That we
18 felt or that I was told -- I shouldn't say we felt.
19 I was told in the emails and from, again, I can't
20 recall if I was actually told by Yisroel Schwartz
21 during this conversation, but definitely in the
22 emails it seems like it was pretty much on that -- I
23 don't know how you are referring to your group.
24 The --
25 Q. The Asian investors?

Page 81

1 S. Greenwald
2 A. The Asian investors, whatever. Is
3 that your operating agreement, the Asian investors'
4 operating agreement?
5 Q. I am not sure what you are talking
6 about.
7 A. The one we were talking about, the
8 schedule -- was it 4?
9 Q. Yes. Miller Exhibit 4 is the recorded
10 first amendment to the original 45 John Lofts LLC
11 agreement that on the surface shows my clients
12 having membership interests.
13 A. Okay. So that they were -- they
14 have -- pretty much your group, that they were going
15 to just dispose of this operating agreement, in any
16 case. But we wouldn't -- that wouldn't be a reason
17 to omit an operating agreement. If you need to
18 dispose of it, then we need to dispose it.
19 Q. Right.
20 A. So the recollection I had currently
21 and from the one conversation I do recall having
22 with Mr. Schwartz was that the issues brought up
23 were why -- and this was, if I have to guess, if I
24 had to take a really --
25 MR. ZELMANOVITZ: Don't guess.

SHAUL C. GREENWALD

Page 82	Page 84
<p>1 S. Greenwald 2 Just what you recall. 3 A. If I have to recall, it was very close 4 to the closing that this conversation happened. 5 That the only reason that we would have decided to 6 omit this operating agreement was based on the 7 reasons that Mr. Miller -- Mr. Schwartz had spoken 8 to me about. 9 Q. Okay. So it sounds like the answer to 10 my question -- again, correct me if I am wrong -- 11 was that, as you sit here today, there are no other 12 reasons that you can think of why this was omitted 13 other than what Mr. Schwartz told you? 14 A. Correct. 15 Q. And despite what Mr. Schwartz had told 16 you, why was it that attorneys and your firm seemed 17 to be spending a lot of time -- and again, my 18 characterization, not yours -- trying to get the 19 Asian investors to sign a document relinquishing or 20 acknowledging they had no membership interests? 21 MR. ZELMANOVITZ: Objection. 22 Asked and answered. 23 Q. If you know. 24 A. I don't recall. But it's pretty 25 standard practice that if our clients ask us to help</p>	<p>1 S. Greenwald 2 A. Okay. 3 Q. Mr. Schwartz states, "As long as the 4 removal of the recorded agreement and relinquishment 5 of any interest the Chinese claim is a closing 6 condition, I see no reason we can't enter into a 7 contract." Do you see that? 8 A. Yes. 9 Q. Okay. Do you agree with that 10 statement? 11 A. I wasn't involved in this email. 12 Q. Well, that's not my question. My 13 question is: Do you agree with that statement? 14 A. Based on what I saw today? 15 Q. Yes. 16 A. I don't believe so. 17 Q. You don't believe so? 18 A. No. 19 Q. Okay. So you believe that -- is it 20 your testimony that you believe they could not enter 21 into a contract unless they had that recorded 22 agreement removed? 23 A. I don't understand what you are 24 saying. 25 Q. Okay. Mr. Schwartz seems to be saying</p>
Page 83	Page 85
<p>1 S. Greenwald 2 them with something, we will help them with 3 something that is not relevant to our title issues. 4 Q. But that was something that Mr. Sohn's 5 counsel wanted? 6 A. I don't recall. 7 Q. Was it something that Mr. Schwartz 8 wanted? And when I say something wanted, I mean -- 9 A. The documents speak for themselves. 10 That's what it says. 11 Q. No. Listen to my question. Did 12 Mr. Schwartz want the Asian investors to sign a 13 termination agreement removing that issue? 14 A. I don't have personal knowledge of 15 that from -- other than seeing the documents. 16 Q. From what you recall. 17 A. I don't recall. 18 Q. Take a look at Schwartz Exhibit 22. 19 A. Is that the one that's GWFG 6417? 20 Q. Yes, 6417. So I am going to refer you 21 to the second email from the bottom, which is 22 Mr. Schwartz to OldenEquitiesGroup@gmail. You know 23 that to be Sam Sprei's email? 24 A. Yes, I do. 25 Q. At 3:45 -- it doesn't say a.m. or p.m.</p>	<p>1 S. Greenwald 2 that as long as the removal of the recorded 3 agreement is a closing condition, he sees no reason 4 they can't sign a contract. 5 So my question is: Do you understand 6 that and do you agree with that? 7 A. Our company omitted the exception for 8 the Chinese group to need their signature on the 9 contract of sale. So correct. 10 Q. No. I think they are talking about 11 the signature on the document removing the recorded 12 agreement. 13 A. I don't understand what your question 14 is. 15 Q. Okay. Let me ask this question: Did 16 the fact that you were only insuring a contract and 17 not a closing of title or a transfer of title, was 18 that a factor in omitting the exception? Did that 19 make a difference? 20 A. No. Not until -- not to my 21 recollection. 22 Q. Take a look at Schwartz Exhibit 14, 23 please. The bottom -- I am sorry. On the second 24 page of the document. 25 Actually, I am going to go back to the</p>

SHAUL C. GREENWALD

<p style="text-align: right;">Page 86</p> <p>1 S. Greenwald</p> <p>2 last page of the document, which is the first --</p> <p>3 So page 3, Bates number 4634, there is</p> <p>4 an email to you. And go back to the prior page, I</p> <p>5 believe it's from Mr. Schwartz on September 17th,</p> <p>6 where he says, "This is the file we want the</p> <p>7 contract vendee policy on." Do you see that?</p> <p>8 A. Yes.</p> <p>9 Q. So as best as you recall, is this the</p> <p>10 first time they had asked for the vendee policy?</p> <p>11 A. I don't recall.</p> <p>12 Q. And then if you go to the email above</p> <p>13 from Rivka Cohen back to Mr. Schwartz and yourself.</p> <p>14 She says, "Riverside can issue the requested</p> <p>15 contract vendee policy." Do you see that?</p> <p>16 A. Yes.</p> <p>17 Q. And was she saying that, despite the</p> <p>18 fact that you had this recorded agreement out there</p> <p>19 on record?</p> <p>20 A. That's not what the email says.</p> <p>21 Q. Okay. Well, tell me what you believe</p> <p>22 it says.</p> <p>23 A. The email is talking about someone</p> <p>24 that asked if you could get a contract vendee</p> <p>25 policy.</p>	<p style="text-align: right;">Page 88</p> <p>1 S. Greenwald</p> <p>2 A. Yes.</p> <p>3 Q. So this, I take it, is an email from</p> <p>4 Rivka Cohen of your office to Mr. Schwartz, and you</p> <p>5 are cc'd on it along with Mr. Schon?</p> <p>6 A. Yes.</p> <p>7 Q. So Ms. Cohen asks Mr. Schwartz to send</p> <p>8 her the operating agreement for 45 John Lofts. She</p> <p>9 says she has received the first amendment, but</p> <p>10 hasn't seen the initial one.</p> <p>11 So do you know whether she or you ever</p> <p>12 received the initial operating agreement and looked</p> <p>13 at it?</p> <p>14 A. I don't recall.</p> <p>15 Q. She goes on to further ask for</p> <p>16 confirmation that the operating agreement sets forth</p> <p>17 that Chaim/Harry Miller is the managing member with</p> <p>18 authority to bind the company. Do you see that?</p> <p>19 A. Yes.</p> <p>20 Q. So was that ever confirmed?</p> <p>21 A. I don't recall.</p> <p>22 Q. At this time, September 18th, the day</p> <p>23 before the closing of the contract, do you know</p> <p>24 whether the attorneys in your firm were involved in</p> <p>25 trying to obtain a termination by the Asian</p>
<p style="text-align: right;">Page 87</p> <p>1 S. Greenwald</p> <p>2 Q. Right.</p> <p>3 A. And she said we can get you a contract</p> <p>4 vendee policy. What the policy will include or not</p> <p>5 include is not the subject of that email.</p> <p>6 Q. So those exceptions, omissions still</p> <p>7 have to be dealt?</p> <p>8 A. Yes.</p> <p>9 Q. This was two days before</p> <p>10 September 19th, quote, unquote, "closing"; correct?</p> <p>11 A. That's what it seems.</p> <p>12 Q. Take a look at -- I am going to show</p> <p>13 you another document, which has not been previously</p> <p>14 marked. So we will mark this as Greenwald</p> <p>15 Exhibit 1.</p> <p>16 Here is one for the witness and</p> <p>17 counsel.</p> <p>18 (Email document Bates-stamped</p> <p>19 R000987 was marked Greenwald Exhibit 1</p> <p>20 for identification, as of this date.)</p> <p>21 Q. I show you what has been marked as</p> <p>22 Exhibit 1.</p> <p>23 A. Uh-huh.</p> <p>24 Q. And I would ask if you could identify</p> <p>25 this.</p>	<p style="text-align: right;">Page 89</p> <p>1 S. Greenwald</p> <p>2 investors of the recorded operating agreement?</p> <p>3 A. I don't know.</p> <p>4 Q. Did you ever see a draft of a</p> <p>5 termination agreement, proposed termination</p> <p>6 agreement, where the Asian investors would</p> <p>7 acknowledge in writing a relinquishment of their</p> <p>8 interest?</p> <p>9 A. I don't recall.</p> <p>10 MR. ZELMANOVITZ: Ever see?</p> <p>11 MR. ZUCKERBROD: Yes.</p> <p>12 MR. ZELMANOVITZ: At that time</p> <p>13 or now?</p> <p>14 MR. ZUCKERBROD: At that time.</p> <p>15 A. I don't recall.</p> <p>16 Q. Have you seen it since reviewing the</p> <p>17 documents for the deposition?</p> <p>18 A. I remember seeing something which says</p> <p>19 that -- yesterday, when I was looking at something</p> <p>20 about an attached -- something attached, but I don't</p> <p>21 recall the document.</p> <p>22 Q. Were you directly hands-on in the loop</p> <p>23 on that, trying to obtain that termination, or was</p> <p>24 that handled by others at your office?</p> <p>25 A. For sure handled by others at my</p>

SHAUL C. GREENWALD

Page 90

1 S. Greenwald
2 office.
3 Q. I can't hear you.
4 A. Definitely handled by others in my
5 office. Not me.
6 Q. Now, let's talk about the closing or
7 the closings on September 19th. Did you attend a
8 closing? Or tell me what your participation was in
9 the closing, as I use that term.
10 A. I didn't participate in the closing as
11 far as physically being there or being involved. I
12 don't even know if I was in my office that day. As
13 I mentioned, I had some other family matters to
14 attend to.
15 Q. Right.
16 A. So I was involved by email
17 potentially, that I had some emails that came in and
18 out, and I made some phone calls.
19 Q. There was a lot of action going on
20 that day, I take it?
21 A. In many different areas of my company.
22 Q. Do you know if there was a physical
23 closing and people from your office were attending?
24 A. From what I recall. Not from my
25 office. Alan Hirsch was the closer.

Page 91

1 S. Greenwald
2 Q. Was anybody else from your office
3 attending physically?
4 A. I don't recall, but I can't believe
5 anybody else would be there.
6 Q. By September 19th, the day of the
7 closing of the contract, can you tell me how, if at
8 all, the issue of the recorded first amendment was
9 addressed or resolved?
10 A. Explain that to me again. I am sorry.
11 Q. Yes. September 19th, the day of the
12 closing, is this recorded first amendment still an
13 issue? Or by that time had you or someone made the
14 decision not an issue, for whatever reason?
15 A. When say on September 19th --
16 Q. Yes.
17 A. -- you are talking about the actual
18 day of September 19th?
19 Q. Yes, the day of September 19th.
20 A. Or at the time of the closing? Once
21 we closed, once we issued our policy?
22 Q. Starting that morning and then leading
23 up to the closing, was it still an issue first thing
24 in the morning?
25 A. I wouldn't recall that. I don't

Page 92

1 S. Greenwald
2 recall.
3 Q. You don't know?
4 A. I just know from the policy, as we
5 mentioned, that it was omitted.
6 Q. Okay. So you just know from the
7 policy it got resolved to your satisfaction?
8 A. Correct.
9 Q. Now, that same day Riverside was
10 participating in a closing that Mr. Miller was doing
11 with four other properties in Brooklyn; correct?
12 A. Correct.
13 Q. And were those going on
14 simultaneously?
15 A. I don't think so. I think -- I don't
16 know. I don't think so.
17 Q. Well, what was your involvement or
18 your knowledge about the other closing for the four
19 Brooklyn properties with Mr. Miller?
20 A. There was some interplay between all
21 of these transactions. There was a requirement on
22 the other four properties for funds to utilize in
23 order to satisfy the obligations on these other four
24 properties. And all of these properties were
25 connected in some sort of way in order to make that

Page 93

1 S. Greenwald
2 happen. So they all seemed to have to close within
3 a time frame.
4 Q. And everyone was aware that Mr. Miller
5 was using or the seller was using the deposit from
6 the purchaser of 45 John to go into the closing
7 involving the four Brooklyn properties?
8 MR. ZELMANOVITZ: Objection.
9 Who do you mean by "everyone"?
10 Q. Did you know that?
11 A. Can you repeat the question?
12 Q. Yes. Were you aware that the deposit
13 that was coming from the purchaser of 45 John, which
14 was the subject of the contract that Riverside was
15 insuring, were you aware that that \$14 or
16 \$13 million deposit was being used to fund
17 Mr. Miller buying out the interest of a Mr. Zhu on
18 the four Brooklyn properties?
19 A. I was aware that there was money that
20 they needed in order to fund those four properties;
21 correct.
22 Q. We have been going for a while. Let's
23 take a five-minute break or something.
24 A. What time is it?
25 Q. It's five minutes before 10:00.

SHAUL C. GREENWALD

Page 94

1 S. Greenwald
2 (Recess taken 9:54 a.m. to 10:02 a.m.)
3 BY MR. ZUCKERBROD:
4 Q. Please take a look at what has been
5 marked as Miller Exhibit 6.
6 A. Yes.
7 Q. Have you seen this document before?
8 A. Yes.
9 Q. And is this a document that was
10 prepared by your firm?
11 MR. ZELMANOVITZ: Which -- this
12 is many pages.
13 Q. Okay. Let's take a look at the first
14 two pages.
15 A. Yes.
16 Q. What is this document?
17 A. Some sort of a ledger of the funds
18 that came in and went out on these -- it seems like
19 these -- it seems like for all of the transactions
20 together.
21 Q. Both the 45 John transaction and the
22 four Brooklyn property transactions?
23 A. Yes. That's the first page it look
24 likes, yes.
25 Q. Right.

Page 95

1 S. Greenwald
2 A. Yes.
3 Q. If you know, did you review this
4 document as it was being prepared and prior to being
5 distributed?
6 A. No.
7 Q. Who would have prepared this document
8 or who did prepare it? If you know.
9 A. Someone in my office.
10 Q. Who?
11 A. In the accounting department.
12 Q. So let's take a look at the top part
13 of the document.
14 A. Uh-huh.
15 Q. Which talks about John Street. And
16 above the bold "Total received: 30,249,341," there
17 is a number of what appear to be itemized entries of
18 money coming into the transaction; correct?
19 A. It appears to be.
20 Q. So there is an entry or item listed
21 "Goldberg Weprin, \$227,341," and then to the right
22 of that it says "RS invoice." Do you see that?
23 A. Yes.
24 Q. What does that mean, that entry?
25 A. It seems like a payment to our invoice

Page 96

1 S. Greenwald
2 for that.
3 Q. So Goldberg Weprin is sending in that
4 amount of money toward payment of --
5 A. Toward payment of that, yes.
6 Q. -- of Riverside's invoice?
7 A. Yes.
8 Q. And then below that there is an entry
9 "3839 Holdings, \$618,088.02." Do you see that?
10 A. Yes.
11 Q. What is that?
12 A. I don't recall.
13 Q. Do you know what 3839 Holdings is?
14 A. Yes.
15 Q. What is it?
16 A. 3839 Holdings is a company that --
17 it's a company, I believe it's an LLC -- that has
18 similar ownership to Riverside Abstract, and is
19 sometimes used for lending money. They do some
20 private loans from there.
21 Q. Okay. That's a company that you are
22 involved in?
23 A. Yes.
24 Q. So who are the other principals of
25 that company?

Page 97

1 S. Greenwald
2 A. Myself and the Yoel Zagelbaum.
3 Q. Your partner in Riverside.
4 So explain to me why or what 3839
5 Holdings was doing in this transaction? Why --
6 apparently -- well, what was the \$618,000?
7 A. I don't recall what the \$618,000 is.
8 Q. So you and your partner through this
9 entity, 3839 Holdings, lent \$618,000 and change to
10 Mr. Miller?
11 A. I don't recall.
12 Q. Did you loan money to 45 John Street?
13 A. I don't recall.
14 Q. Do you have any records that would
15 shed light on this?
16 A. There could be some records that I saw
17 in preparation of the deposition.
18 Q. I am sorry?
19 A. There were some records in preparation
20 for the deposition that may be relevant.
21 Q. So after reviewing those records in
22 preparation for the deposition, did that not refresh
23 your recollection any further as to what this
24 represents?
25 A. Not on the 618,000.

SHAUL C. GREENWALD

Page 98

1 S. Greenwald
2 Q. Well, do you recall any discussions
3 with Mr. Miller or Mr. Sprei about them needing
4 additional money and asking to borrow money from
5 you?
6 A. I don't recall a conversation with
7 them as far as needing more money at that point. I
8 don't recall that.
9 Q. Do you recall any discussions with
10 Mr. Miller or Mr. Sprei about needing money at any
11 point?
12 A. I recall a discussion about money
13 being needed. I don't know who the discussion was
14 with.
15 Q. And the discussion that you recall
16 about money being needed, you said you don't recall
17 who that discussion was with?
18 A. No.
19 Q. Do you recall for what purpose the
20 money was needed?
21 A. No. I don't have a recollection.
22 Q. Was the discussion with someone other
23 than Mr. Miller and Mr. Sprei?
24 A. The only other person possible was
25 Mr. Schwartz.

Page 99

1 S. Greenwald
2 Q. And as you sit here today, you can't
3 further identify --
4 A. I don't recall.
5 Q. As you sit here today, can you shed
6 any more light on your knowledge of that loan by
7 3839 Holdings?
8 A. I don't recall.
9 Q. Does Mr. Miller know who 3839 Holdings
10 is?
11 A. I don't know.
12 Q. Does Mr. Sprei know the name of that
13 entity?
14 A. I don't know.
15 Q. Does Mr. Schwartz know the name of
16 that entity?
17 A. I don't know.
18 Q. But they were aware that you through
19 your firm through some entity had lent money to
20 either 45 John or Mr. Miller; correct?
21 A. I wouldn't know that.
22 Q. I am sorry?
23 A. I wouldn't know that.
24 Q. Was the money lent -- let me ask you
25 this. Was the money lent to 45 John Lofts LLC, or

Page 100

1 S. Greenwald
2 was it lent to either Mr. Miller or Mr. Sprei
3 individually, or some other entity?
4 A. I don't recall.
5 MR. ZUCKERBROD: Again, I would
6 ask for those documents from your
7 records.
8 Q. Okay?
9 A. Okay.
10 Q. Okay. Did 3839 Holdings receive any
11 money from the closing?
12 A. I don't recall.
13 Q. Take a look at Schwartz Exhibit 28,
14 please. I am going to refer you to the email on the
15 bottom of the first page of that document, Bates No.
16 10064.
17 You might as well take a look at the
18 whole document to see if that helps refresh your
19 recollection on some questions that I am going to
20 ask you.
21 A. (Reviewing documents.) Okay.
22 Q. So having looked at Schwartz Exhibit
23 28, I will ask my question again, which is whether
24 3839 Holdings LLC received any money out of the
25 closing of these transactions.

Page 101

1 S. Greenwald
2 A. Again, I don't have specific
3 knowledge. Based on the email it seems that there
4 was some sort of email about this.
5 Q. Let's take a look at the email you
6 mentioned. So on the bottom of page 10064, there is
7 an email from Mr. Schwartz to yourself and others on
8 September 19th where Mr. Schwartz writes to the
9 Riverside team stating that he is expecting a wire
10 of approximately \$13 million from the purchaser
11 under the contract, talking about disbursements.
12 And he says that \$2,332,000 is to be -- is to go to
13 3839 Holdings LLC, and then he asked you to provide
14 wire instructions. Do you see that?
15 A. Yes.
16 Q. So what was that for?
17 MR. ZELMANOVITZ: If you know.
18 A. Could I confer with counsel? I just
19 don't understand how to answer the question, as far
20 as what you are looking for.
21 MR. NASH: No, you can't. You
22 have to answer the question.
23 Q. Not while the question is pending.
24 MR. NASH: You can't. You
25 can't. Mister --

SHAUL C. GREENWALD

Page 102	Page 104
<p>1 S. Greenwald 2 MR. ZUCKERBROD: Note for the 3 record -- 4 MR. ZELMANOVITZ: Just testify 5 to what you know -- what you know of 6 your own recollection. If this 7 refreshes your recollection and you 8 recall, then you can testify to it. 9 Don't just read back what this says. 10 MR. NASH: We are talking about 11 \$2,332,000. 12 MR. ZELMANOVITZ: Kevin, enough 13 with the histrionics. 14 MR. NASH: Hardly histrionics. 15 You don't remember what happened to 16 2,332,000? 17 MR. ZELMANOVITZ: Kevin, you are 18 wasting everybody's time. 19 Q. Answer the question, sir. 20 A. Okay. So I will tell you that from my 21 recollection from -- after I have seen these 22 documents -- that we did lend -- when I say "we," 23 3839 Holdings LLC lent money to -- not 2,233,000, 24 less than that -- to Mister -- based on the 25 documents in here, again, based on my recollection,</p>	<p>1 S. Greenwald 2 Q. So sometime that month 3839 Holdings 3 LLC lent \$2.2 million to Mr. Sprei or Mr. Miller, or 4 some entity? 5 A. Right. It seems. 6 Q. Did they sign a note? Did they sign 7 any documentation to that, evidencing the loan? 8 A. I don't recall. 9 Q. So you lent or your firm lent that 10 much money and you just don't recall whether there 11 is any paperwork? 12 A. Yes. 13 Q. Does your firm or this entity, 3839 14 Holdings LLC, does it make a practice or have there 15 been other circumstances where it has lent that much 16 money, more than \$2 million, without any paperwork? 17 MR. ZELMANOVITZ: Objection to 18 form. 19 Q. You can answer. 20 Have there been times when you lent 21 that much money without any documentation? 22 MR. ZELMANOVITZ: There is a 23 question pending. 24 MR. ZUCKERBROD: I am asking the 25 same question.</p>
Page 103	Page 105
<p>1 S. Greenwald 2 to an entity that Sam Sprei and Mr. Miller were 3 involved with prior to the closing. And at this 4 closing we were told that we would get it back. 5 That's what seems to -- what happened. 6 Q. Again, it's a little unclear to me. 7 Let's try to understand this. 8 So 3839 Holdings LLC lent money to an 9 entity that Mr. Miller and Mr. Sprei were involved 10 with prior to the closing? 11 A. Yes. 12 Q. And what entity was that? Was it 13 connected to any of these properties? 14 A. I don't recall. 15 Q. How much money was lent to them? 16 A. I believe \$2,200,000. 17 Q. \$2.2 million? 18 A. Yes. 19 Q. When was that loan made? 20 A. Sometime right before this closing. I 21 don't recall the date. 22 Q. Well, when you say "right before," was 23 it a day before? Was it five days before? Was it a 24 month before? Was it a year before? 25 A. Sometime in September.</p>	<p>1 S. Greenwald 2 A. I am thinking. 3 Q. Yes. 4 A. I am sure there have been times. 5 Q. Okay. So it sounds like this was a 6 short-term loan; correct? 7 A. Correct. 8 Q. And you don't recall the purpose for 9 which the loan was made? 10 A. I do recall that there was a -- I want 11 to get this right. 12 There may have been a purpose with the 13 other four transactions, that they may have had a 14 reason they needed some of that money for -- maybe 15 there was an extension that he needed or something 16 like that, and they were going to close this very 17 soon thereafter. So that potentially was the 18 purpose. 19 Q. Okay. So you believe the purpose 20 might have been to help Miller and Sprei obtain an 21 extension of the time to close on another property? 22 A. Right. 23 Q. And that other property might have 24 been one of the Brooklyn properties? 25 A. Correct.</p>

SHAUL C. GREENWALD

<p style="text-align: right;">Page 106</p> <p>1 S. Greenwald</p> <p>2 Q. Involving Mr. Zhu?</p> <p>3 A. I don't recall a name.</p> <p>4 Q. Do you recall who Mr. Zhu is?</p> <p>5 A. No.</p> <p>6 Q. You don't have any recollection of</p> <p>7 Mr. Zhu being a partner with Mr. Miller in any</p> <p>8 properties?</p> <p>9 A. No.</p> <p>10 Q. Do you know an entity called Renatus,</p> <p>11 R-E-N-A-T-U-S?</p> <p>12 A. Only from the documents I have read.</p> <p>13 MR. ZUCKERBROD: Again, if I</p> <p>14 haven't asked for it before I would ask</p> <p>15 for any documentation to be produced</p> <p>16 regarding this loan.</p> <p>17 THE WITNESS: Sure.</p> <p>18 Q. Turn to the third page of Schwartz</p> <p>19 Exhibit 28. Can you tell me what that is?</p> <p>20 A. Based on the document?</p> <p>21 Q. Yes.</p> <p>22 A. It seems like an agreement that --</p> <p>23 between 3839 Holdings and 3112 Emmons Avenue Lofts</p> <p>24 that is a loan, contemplated loan, between the</p> <p>25 parties, an iska, for a profit or an interest rate,</p>	<p style="text-align: right;">Page 108</p> <p>1 S. Greenwald</p> <p>2 this email.</p> <p>3 Q. Do you know whether this iska, this</p> <p>4 document, was signed?</p> <p>5 A. I don't recall.</p> <p>6 Q. This unsigned document talks about a</p> <p>7 loan from 3839 Holdings to 3112 Emmons Avenue Lofts</p> <p>8 LLC in the amount of \$1,750,842. Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. Was that a separate transaction from</p> <p>11 the \$2.2 million loan that you previously just</p> <p>12 testified about?</p> <p>13 A. I believe that there was a</p> <p>14 \$2.2 million loan which was ostensibly being paid at</p> <p>15 this closing.</p> <p>16 Q. Right.</p> <p>17 A. And replaced by another loan with that</p> <p>18 1.7. So the end result was that there was --</p> <p>19 Q. I see. So the \$2.2 million loan was</p> <p>20 repaid in the amount of \$2,332,000 at closing?</p> <p>21 A. I don't recall.</p> <p>22 Q. Just go back to Schwartz 28, the first</p> <p>23 page.</p> <p>24 A. Yes.</p> <p>25 Q. You are requested to provide wire</p>
<p style="text-align: right;">Page 107</p> <p>1 S. Greenwald</p> <p>2 for lack of a better term. I am not sure if you</p> <p>3 know what an "iska" is.</p> <p>4 Q. We have heard some testimony about it</p> <p>5 before. And, in fact, the document has been marked</p> <p>6 as an exhibit, and Mr. Schwartz talked about it a</p> <p>7 little bit.</p> <p>8 A. So you don't need any more information</p> <p>9 on that?</p> <p>10 Q. I am happy to hear whatever else have</p> <p>11 you to say about it.</p> <p>12 A. In Jewish law charging interest may be</p> <p>13 prohibited. So one of the ways to circumvent that</p> <p>14 prohibition is to do it as a business venture. So</p> <p>15 that's basically the concept.</p> <p>16 I am not a rabbi, so I can't testify</p> <p>17 for sure.</p> <p>18 Q. Do you know who prepared this</p> <p>19 document, page 10066, the iska?</p> <p>20 A. I think there is mention in this of</p> <p>21 Yisroel Schwartz. It says in the email.</p> <p>22 MR. ZELMANOVITZ: He is not</p> <p>23 asking you to say what the email says.</p> <p>24 He is asking you if you know.</p> <p>25 A. I don't have a recollection on it, of</p>	<p style="text-align: right;">Page 109</p> <p>1 S. Greenwald</p> <p>2 instructions for the repayment of -- or for the</p> <p>3 payment \$2,332,000; correct?</p> <p>4 A. Correct.</p> <p>5 Q. And I believe you said that stems from</p> <p>6 or is connected to an original \$2.2 million loan</p> <p>7 that you made sometime in September to one of</p> <p>8 Mr. Miller's entities?</p> <p>9 A. Correct.</p> <p>10 Q. So that \$2.2 million loan was repaid</p> <p>11 at closing; correct?</p> <p>12 MR. ZELMANOVITZ: Objection.</p> <p>13 Asked and answered.</p> <p>14 MR. ZUCKERBROD: Well, I am</p> <p>15 trying to understand. It's not clear.</p> <p>16 So forgive me for asking --</p> <p>17 MR. ZELMANOVITZ: You are</p> <p>18 pointing to an email that doesn't come</p> <p>19 from Mr. Greenwald.</p> <p>20 MR. ZUCKERBROD: Mr. Greenwald</p> <p>21 is copied on --</p> <p>22 MR. ZELMANOVITZ: And is, in</p> <p>23 fact, a draft, because you can see the</p> <p>24 blank here.</p> <p>25 MR. ZUCKERBROD: It's not a</p>

SHAUL C. GREENWALD

Page 110

1 S. Greenwald
2 draft. This is an email was sent with a
3 blank in it. So it was sent to
4 Mr. Greenwald.
5 MR. ZELMANOVITZ: Answer the
6 question, if you can.
7 A. I could tell you that the idea was --
8 that I do recall -- the idea was that we would have
9 a payment from this closing. And then there -- at
10 some point, we were anticipating that we would get
11 the full 2.332, and we would not have any other
12 further loans on this transaction.
13 Q. Okay.
14 A. And that was pretty much the story at
15 that point.
16 Q. So my question is: Did you receive
17 the \$2,332,000 at closing? When I say "you," I mean
18 3839 Holdings LLC.
19 A. I don't recall.
20 Q. You don't recall, as you sit here
21 today, whether you received --
22 MR. ZELMANOVITZ: Let's not be
23 argumentative, please.
24 MR. ZUCKERBROD: I am not being
25 argumentative. Stop interrupting.

Page 111

1 S. Greenwald
2 MR. ZELMANOVITZ: The question
3 was answered.
4 MR. ZUCKERBROD: Stop
5 interrupting. Stop interrupting.
6 MR. ZELMANOVITZ: You are
7 repeating your questions over and over.
8 MR. ZUCKERBROD: Stop
9 interrupting. I am not repeating
10 myself.
11 MR. ZELMANOVITZ: You take the
12 answers you are given.
13 MR. ZUCKERBROD: No. You object
14 by saying "objection to the form," and
15 leave it at that.
16 Q. I am going to ask the question again.
17 As you sit here today, you don't recall whether 3839
18 Holdings received \$2,332,000 from this closing?
19 A. That's correct.
20 Q. Did it receive anything from the
21 closing?
22 A. I don't recall.
23 MR. NASH: Okay. I ask for
24 production of all of the bank records of
25 this entity from August 1st or July 1st

Page 112

1 S. Greenwald
2 to the present.
3 This is nonsense.
4 Q. Does 3839 Holdings maintain bank
5 records?
6 A. We have a bank, yes.
7 Q. And would the payments in and out of
8 that account reflect this loan?
9 A. I don't know.
10 MR. ZUCKERBROD: I would ask for
11 the production of those records.
12 Q. When we talk about the iska and the
13 amount stated here of a million seven fifty and
14 change, you mentioned that -- if I understood
15 correctly and I may not have -- that that was or
16 might have been a new loan. Can you just explain
17 that a little clearer, please? Because I didn't
18 understand it.
19 Was that money lent?
20 A. What I said was that there was a --
21 the concept was that we lent \$2,200,000 prior to
22 this closing. There was a -- I don't know exactly
23 what the purpose was for this. But I recall that
24 there was a shortfall or potentially a shortfall in
25 this closing, and they needed some -- or for some

Page 113

1 S. Greenwald
2 other payment outside of this closing. And when I
3 say "this closing," I didn't mean this closing as
4 John Street. I meant to say the larger transaction.
5 And we did not get payment in full on
6 the 2.3 million. What we did is -- there is still
7 an outstanding balance of 1,750,842.
8 Q. It sounds like -- again, correct me if
9 I am wrong -- that you received a partial payment of
10 the 2.2 million?
11 A. If I recall, that's what happened.
12 Q. So in effect, there was a balance due
13 of a million seven fifty and change?
14 A. Correct.
15 Q. Has that money been repaid?
16 A. No. Not to my knowledge. Not
17 completely.
18 MR. ZUCKERBROD: Again, I would
19 ask for full production of any
20 documentation regarding that loan.
21 MR. NASH: You say "not
22 completely." Was it partially repaid?
23 THE WITNESS: I don't have the
24 information. But I believe there was
25 some sort of payment, yes.

SHAUL C. GREENWALD

<p style="text-align: right;">Page 114</p> <p>1 S. Greenwald 2 MR. NASH: When was that second 3 payment? 4 THE WITNESS: That I don't 5 recall. 6 MR. NASH: Was it in the last 7 five months? 8 MR. ZELMANOVITZ: Okay. We're 9 not going to do this. We are going to 10 have one person complete the examination 11 and then the next person can go. 12 I don't care what your protocol 13 was until now. We're not going to go 14 back and forth like a ping-pong ball. 15 MR. ZUCKERBROD: Let me mark as 16 Greenwald Exhibit 2 another document 17 bearing Bates numbers R000705 and 706. 18 (Email document Bates-stamped 19 R000705 and R000706 was marked Greenwald 20 Exhibit 2 for identification, as of this 21 date.) 22 Q. Mr. Greenwald, did you have to approve 23 all of the payments that were disbursed from this 24 closing? 25 A. I don't know if I had to approve all</p>	<p style="text-align: right;">Page 116</p> <p>1 S. Greenwald 2 Q. So having seen that, does that help 3 refresh your recollection about the iska that we 4 talked about in the previous document? 5 A. I don't think that it's accurate. 6 Q. How is it inaccurate? What really 7 happened? 8 A. As I said before, there was a 9 shortfall. He is categorizing that the 1,750,842 is 10 delivered for the title invoice, and that's being 11 funded back to the deal. 12 The way -- there was some sort of a 13 need for funds, and they asked for that amount to 14 have it -- it may have been based on having the 15 title invoice in that amount. I don't know why they 16 would have asked for that. But, ultimately, that 17 was the amount. And that is the iska that we ended 18 up -- 19 Q. "That amount" being the million seven 20 fifty and change? 21 A. Yes. 22 Q. So that was the shortfall at the 23 closing? 24 A. No, not a shortfall at closing. I 25 don't know. That I can't explain, what it was a</p>
<p style="text-align: right;">Page 115</p> <p>1 S. Greenwald 2 of the disbursements. When you say -- as far as -- 3 I don't understand. 4 Q. Yes. Going back to Miller Exhibit 6, 5 which was the disbursement journal, there is a whole 6 series of line items about total disbursed, 7 \$30 million. 8 So my question was: Did you have to 9 give approval before those monies could be released? 10 A. Again, vis-a-vis who? Which party did 11 I have to get approval of? There are many parties. 12 Q. Any party. 13 A. Our company would have to get 14 approval. 15 Q. If you look at the bottom of page 705. 16 A. Yes. 17 Q. There is an email from Mr. Schwartz to 18 Mr. Pollak, yourself, and Mr. Mindick, with cc's to 19 others at your firm. And Mr. Schwartz is saying 20 that certain funds are left. 21 And he says, "In addition, you will 22 have 1,750,842 delivered for the title invoices, 23 which pursuant to the iska, is funded back to the 24 deal." Do you see that? 25 A. Yes.</p>	<p style="text-align: right;">Page 117</p> <p>1 S. Greenwald 2 shortfall for. 3 Q. Do you know what that money was needed 4 for? 5 A. Well, I have a recollection, when I 6 see these emails, from the email, that there was a 7 Babad wire. One is for Babad. 8 Q. What is Babad? 9 A. Some sort of a -- they have a 10 relationship. There is a fellow, Mr. Babad, and 11 they have a relationship, some sort of relationship. 12 Q. I didn't hear the last part. 13 A. And they have some sort of 14 relationship, Mr. Miller and Mr. Sprei have a 15 relationship with Babad. 16 Q. Did Mr. Miller and Mr. Sprei owe 17 Mr. Babad money? 18 A. I don't know the reason. 19 Q. Do you know Mr. Babad? 20 A. I know of him. I don't think I -- I 21 don't recall if I have ever met him. 22 Q. What do you know of him? What does he 23 do? 24 A. He is in real estate, does some life 25 insurance settlement, I believe.</p>

SHAUL C. GREENWALD

<p style="text-align: right;">Page 118</p> <p>1 S. Greenwald</p> <p>2 Q. What?</p> <p>3 A. Life insurance settlement. I don't</p> <p>4 know much more about him, other than that he is a</p> <p>5 member of the -- he lives in Brooklyn, and people</p> <p>6 say that he is very active in -- that he prepares</p> <p>7 life insurance settlements and real estate.</p> <p>8 Q. So at the top of this document,</p> <p>9 Greenwald Exhibit 2, there is an email from</p> <p>10 Mr. Schwartz on September 19th to yourself,</p> <p>11 Mr. Pollak, and Mr. Mindick, asking to please try to</p> <p>12 get the Babad wire out, it's important. Do you see</p> <p>13 that?</p> <p>14 A. Uh-huh.</p> <p>15 Q. Why was it important?</p> <p>16 A. I don't know.</p> <p>17 Q. They never explained?</p> <p>18 A. No.</p> <p>19 Q. Did you ask?</p> <p>20 A. I don't recall.</p> <p>21 Q. Did that wire go out as requested?</p> <p>22 A. Definitely, there was a wire and the</p> <p>23 list -- I remember the one we were looking at</p> <p>24 before, that had the word "Babad" on it. I think</p> <p>25 there was a \$2 million wire.</p>	<p style="text-align: right;">Page 120</p> <p>1 S. Greenwald</p> <p>2 I don't even think of payoff --</p> <p>3 MR. ZUCKERBROD: Let me mark as</p> <p>4 Greenwald Exhibit 3 a one-page document</p> <p>5 bearing Bates number R000790.</p> <p>6 (Document Bates-stamped R000790</p> <p>7 was marked Greenwald Exhibit 3 for</p> <p>8 identification, as of this date.)</p> <p>9 Q. Before I ask you about that exhibit,</p> <p>10 Mr. Greenwald, are there any prohibitions under the</p> <p>11 insurance laws about lending money?</p> <p>12 A. I don't know.</p> <p>13 Q. You don't know.</p> <p>14 As far as you know, you are allowed to</p> <p>15 have a separate business lending money?</p> <p>16 A. I believe so.</p> <p>17 Q. So take a look at Exhibit 3.</p> <p>18 A. Uh-huh.</p> <p>19 Q. What is this document?</p> <p>20 A. It's a Riverside Abstract invoice for</p> <p>21 the 45 John Street closing, it looks like. Or not</p> <p>22 closing, the --</p> <p>23 Q. This is your firm's invoice for the</p> <p>24 closing; correct?</p> <p>25 A. That's what -- yes.</p>
<p style="text-align: right;">Page 119</p> <p>1 S. Greenwald</p> <p>2 Q. Did Mr. Miller explain to you what it</p> <p>3 was for, or why it was important?</p> <p>4 A. No.</p> <p>5 Q. Mr. Sprei?</p> <p>6 A. No.</p> <p>7 Q. Going back to the disbursement list,</p> <p>8 Miller Exhibit 6. Do you have that in front of you?</p> <p>9 MR. ZELMANOVITZ: Go back to</p> <p>10 Miller Exhibit 6.</p> <p>11 A. Yes.</p> <p>12 Q. There is a payment in the amount of</p> <p>13 2,827,000 and change to Mega International?</p> <p>14 A. Yes.</p> <p>15 Q. Do you know what that was for?</p> <p>16 A. From the documents I have read, I</p> <p>17 sort -- it was some sort of payoff to Mega</p> <p>18 International.</p> <p>19 Q. That was money that Mr. Miller had</p> <p>20 owed to somebody else?</p> <p>21 A. It was a payoff. That's all I know.</p> <p>22 MR. ZELMANOVITZ: Not in a</p> <p>23 derogatory term, payoff.</p> <p>24 Q. I understand. A real estate payoff?</p> <p>25 A. Real estate payoff. Mortgage payoff.</p>	<p style="text-align: right;">Page 121</p> <p>1 S. Greenwald</p> <p>2 Q. Riverside was paid this amount;</p> <p>3 correct?</p> <p>4 A. Yes. It matches to that number.</p> <p>5 Q. Okay. So how does it work with the</p> <p>6 title company? How were those fees split?</p> <p>7 A. Generally, policies and endorsements</p> <p>8 are split between the underwriter and the agent,</p> <p>9 depending on the agent and underwriter relationship.</p> <p>10 But somewhere -- and depending on the state. But in</p> <p>11 New York, generally, somewhere between 20 percent</p> <p>12 and 15 percent go to the underwriter and 80, 85</p> <p>13 percent is standard for --</p> <p>14 Q. Is it regulated by statute, by the</p> <p>15 insurance law? The exact split.</p> <p>16 A. No, not the split. In New York.</p> <p>17 Q. But the amount of the premium is</p> <p>18 regulated; correct?</p> <p>19 A. The amount of the premium is exactly</p> <p>20 regulated; correct.</p> <p>21 Q. Take a look at Sprei Exhibit 14,</p> <p>22 please.</p> <p>23 A. Yes.</p> <p>24 Q. Have you ever seen this letter before?</p> <p>25 A. I have seen it within production.</p>

SHAUL C. GREENWALD

Page 122	Page 124
<p>1 S. Greenwald</p> <p>2 Q. Okay.</p> <p>3 A. At some point.</p> <p>4 Q. Had you seen -- prior to reviewing</p> <p>5 documents after the litigation started in</p> <p>6 anticipation of litigation, had you seen this letter</p> <p>7 before?</p> <p>8 A. Never.</p> <p>9 Q. When I say "this letter," I am talking</p> <p>10 about any variations of this letter with a different</p> <p>11 date or a different signature?</p> <p>12 A. Never.</p> <p>13 Q. Did Mr. Miller or Mr. Sprei ever tell</p> <p>14 you that they had requested someone draft a letter</p> <p>15 indicating that another title company was holding</p> <p>16 money on their behalf?</p> <p>17 A. No.</p> <p>18 Q. When was the first time you learned</p> <p>19 about the existence of this letter?</p> <p>20 A. I don't recall. But either --</p> <p>21 probably when it was filed with the action. I don't</p> <p>22 remember.</p> <p>23 Q. When the litigation started?</p> <p>24 A. Yes. I definitely didn't know</p> <p>25 beforehand, so...</p>	<p>1 S. Greenwald</p> <p>2 deposition room.)</p> <p>3 Q. Have you ever spoken with Mr. Babad?</p> <p>4 A. On a business level, yes.</p> <p>5 Q. And what have you spoken with him</p> <p>6 about?</p> <p>7 A. Trying to work together on title</p> <p>8 insurance.</p> <p>9 Q. Did you ever speak to him about 45</p> <p>10 John Street and his loan here?</p> <p>11 A. No.</p> <p>12 MR. ZUCKERBROD: Let me mark as</p> <p>13 Greenwald Exhibit 4 a one-page document</p> <p>14 Bates number R000068.</p> <p>15 (Email document Bates-stamped</p> <p>16 R000068 was marked Greenwald Exhibit 4</p> <p>17 for identification, as of this date.)</p> <p>18 Q. What is this document, Mr. Greenwald?</p> <p>19 A. This document is an email from --</p> <p>20 originally from myself to myself, and then from</p> <p>21 myself to my executive assistant.</p> <p>22 Q. Okay.</p> <p>23 A. Stating what it says. You can read it</p> <p>24 yourself.</p> <p>25 Q. Okay. So this is the Monday after the</p>
Page 123	Page 125
<p>1 S. Greenwald</p> <p>2 Q. Did you speak to Mr. Miller or</p> <p>3 Mr. Sprei after this letter came to your knowledge?</p> <p>4 A. I don't think I did.</p> <p>5 Q. Did it surprise you when you saw this</p> <p>6 letter?</p> <p>7 A. I didn't know if it was true or -- oh,</p> <p>8 as far as that they were holding -- I don't know.</p> <p>9 Let me read the letter, because I</p> <p>10 don't even know what the letter says. So let me</p> <p>11 make sure before I answer.</p> <p>12 I mean, I don't think it was relevant</p> <p>13 to me at all as far as -- I don't think I had an</p> <p>14 opinion either way. Maybe; maybe not. There is</p> <p>15 nothing --</p> <p>16 I mean, it's amazing that they have</p> <p>17 things, great.</p> <p>18 Q. I am sorry?</p> <p>19 A. It was good that they had the money.</p> <p>20 It was good.</p> <p>21 Q. But did you eventually come to learn</p> <p>22 they didn't have the money?</p> <p>23 A. I don't know that for a fact, but it</p> <p>24 seems so. It sure seems like that.</p> <p>25 (Mr. Chun Peter Dong enters the</p>	<p>1 S. Greenwald</p> <p>2 closing. Why is it that you wanted to speak with</p> <p>3 Mr. Babad about John Street?</p> <p>4 A. So it wasn't really about John Street,</p> <p>5 to my recollection. Although I wrote -- the point</p> <p>6 was that I have -- if you notice in the email, the</p> <p>7 body of the email, it says "Dovid Gottlieb."</p> <p>8 THE REPORTER: It says what?</p> <p>9 THE WITNESS: Dovid Gottlieb.</p> <p>10 D-O-V-I-D, G-O-T-T-L-I-E-B. I am not</p> <p>11 sure if that's the correct spelling, but</p> <p>12 that's what it says.</p> <p>13 A. (Continuing) I am friendly with Dovid</p> <p>14 Gottlieb. He is a friend of mine. And he works for</p> <p>15 Mr. Babad. I was trying to arrange a meeting to go</p> <p>16 and talk to him about business.</p> <p>17 Q. New business opportunities?</p> <p>18 A. Yes.</p> <p>19 Q. Okay.</p> <p>20 A. But I guess the point of the email --</p> <p>21 Q. Yes.</p> <p>22 A. -- if you don't mind me adding to it,</p> <p>23 is that once I saw his name on John Street, he was</p> <p>24 getting money, I know he is active, I said -- it</p> <p>25 jogged my memory, I am going to go -- that's what I</p>

SHAUL C. GREENWALD

Page 126	Page 128
<p>1 S. Greenwald 2 do all day is I try to go after new business. 3 MR. ZUCKERBROD: Let me mark as 4 Greenwald Exhibit 5 a one-page document, 5 R000547. 6 (Document Bates-stamped R000547 7 was marked Greenwald Exhibit 5 for 8 identification, as of this date.) 9 Q. What is this next exhibit? 10 A. An email between Mr. Sprei and myself 11 on Sunday, November 9th, in the afternoon, saying "I 12 didn't want John at recordid." 13 MR. ZELMANOVITZ: Who is saying 14 that? 15 THE WITNESS: That's what 16 Mr. Sprei says on the email. 17 Q. Then you replied by saying "What?" 18 A. I am assuming. I didn't know what he 19 was talking about. 20 Q. Right. And then he clarified or said 21 something further saying, "John Street contract 22 recordid"? 23 A. Yes. 24 Q. Did you have any discussions with 25 Mr. Sprei about the recording of the John Street</p>	<p>1 S. Greenwald 2 again about your discussion, how this issue was left 3 off. 4 A. I saw this document yesterday in 5 preparation. 6 Q. Yes. 7 A. And the answer, I think, was of course 8 it was recorded. I think that's -- right. 9 Q. And that was the end of it? 10 A. I would have to ask him. 11 Yes. 12 Q. Did Mr. Sprei respond to that in any 13 way? 14 A. I don't believe so. 15 MR. ZUCKERBROD: All right. I 16 don't have any further questions at this 17 point. 18 What I do want to do is just 19 mark as exhibits these documents you 20 gave me. And I may have a question or 21 two at the end, if I could just look at 22 them. But so one, two -- 23 MR. ZELMANOVITZ: Could we have 24 copies made of them? 25 MR. ZUCKERBROD: Yes. We will</p>
Page 127	Page 129
<p>1 S. Greenwald 2 contract? 3 A. No. 4 Q. Did Mr. Sprei ever tell you that he 5 was surprised that the John Street contract was 6 recorded or that it was a problem for him in some 7 way? 8 A. This -- on the email? 9 Q. Forget about the email. 10 I am asking did you have any 11 discussions -- 12 A. No. 13 Q. -- with Mr. Sprei about that subject? 14 A. No. 15 Q. So how was this email discussion 16 resolved or left off? That was it? End of 17 discussion here? 18 A. I think there was -- was there another 19 email that I said it was recorded? I think that -- 20 I don't think this is the complete copy of the 21 email. 22 Q. Okay. Well, this is all that I have, 23 or we have, in terms of production. 24 A. No. No. You are missing something. 25 Q. Okay. So tell me what you recall</p>	<p>1 S. Greenwald 2 do that. So it looks like there are 3 five separate documents. 4 MR. ZELMANOVITZ: Those are the 5 ones you requested, were exactly -- I 6 believe that's correct. 7 MR. ZUCKERBROD: Okay. So why 8 don't -- is it okay if we mark them and 9 then make copies for everyone? 10 MR. RUBINSTEIN: Yes, we will 11 get somebody to make copies. 12 MR. ZUCKERBROD: Okay. I don't 13 have to take up time now doing this, but 14 I just want to let you know that I am 15 going to mark these as exhibits, and I 16 may have a question or two of follow up. 17 EXAMINATION 18 BY MR. NASH: 19 Q. Mr. Greenwald, I have a few questions. 20 A. Okay. 21 Q. Are you involved in any business 22 dealings with Mr. Miller concerning 3 Mitchell 23 Place? 24 A. Define "involved." 25 Q. What do you understand the word</p>

SHAUL C. GREENWALD

Page 130	Page 132
<p>1 S. Greenwald 2 "involved" mean? 3 A. I am currently involved with -- I 4 mean, anything about 3 Mitchell Place. 5 Q. Mr. Miller has testified that you are 6 partners with him in the flip of the contract at 3 7 Mitchell Place. Does that help you understand the 8 word "involved"? 9 A. Right. I understand the word 10 "involved." 11 Q. Okay. So tell me -- 12 MR. ZELMANOVITZ: You asked him 13 a question. Let him answer it. 14 And by the way, what's the 15 relevance to this case? 16 MR. NASH: The relevance is we 17 are tracing money through -- starting at 18 45 John into that larger transaction, 19 into other transactions, and so that's 20 the relevance, sir. 21 MR. ZELMANOVITZ: I will let it 22 go for a bit, but -- 23 A. It's questionable as far as the 24 characterization of what our relationship is in that 25 deal.</p>	<p>1 S. Greenwald 2 A. No. 3 Q. What did he indicate to you? 4 A. He has the potential to get involved 5 in the contract on that property. 6 Q. So he said he has a potential to 7 execute a contract for that property? 8 A. Correct. 9 Q. What did he ask you to do? 10 A. He asked me to help him secure some 11 funds for a short-term -- really, a loan to get it 12 to contract, and he would pay me back shortly. A 13 very short-term loan. 14 Q. So he asked you for a short-term loan; 15 correct? 16 A. Uh-huh. 17 Q. How much did he ask you for? 18 A. I don't recall the number that he 19 asked me for. 20 Q. Was it the full deposit? 21 A. Sorry. 22 Q. Was it the full deposit needed for the 23 contract? 24 A. I don't recall if he asked me for the 25 full deposit.</p>
Page 131	Page 133
<p>1 S. Greenwald 2 Q. How would you characterize your 3 relationship? 4 MR. ZELMANOVITZ: Let him 5 finish. He is in the middle of the 6 answer. Patience. 7 A. I would characterize it at this point 8 that Mr. Miller and Mr. Sprei have nothing to do 9 with that transaction. None of their funds were 10 relevant to that transaction. And that's pretty 11 much the relevance for Mr. Miller and Mr. Sprei. 12 Q. When did you get involved in the 13 transaction involving 3 Mitchell Place? 14 A. Late December 2014. 15 Q. How did you get involved? 16 A. I believe Mr. Sprei approached me. 17 Q. What did he say to you when he 18 approached you? 19 A. That he has this contract that he is 20 trying to get into contract on, 3 Mitchell Place, 21 and he needed some assistance with getting a deposit 22 for that contract. 23 Q. Okay. Now, when he approached you in 24 December of 2014, did he indicate to you that he was 25 under contract to buy the property?</p>	<p>1 S. Greenwald 2 Q. You don't recall how much he asked 3 you. How much did you give him? 4 A. So we actually were -- when I say we, 5 meaning an entity -- that lent money or had some 6 rights at that point. I don't know how you 7 characterize it. 8 Q. Is that 3839? 9 A. No, it's not 3839. Another entity. 10 They were -- a very short-term loan. It was 11 supposed to be a very short-term loan of \$6 million. 12 Q. What was the name of that entity that 13 gave the loan? 14 A. I believe, Kingspark Holdings LLC. 15 Q. Kingspark? 16 A. Uh-huh. 17 Q. Are you a principal of that? 18 A. I am one of the members. 19 Q. Who else are the members? 20 A. I am not sure, but likely my partner, 21 Yoel Zagelbaum. 22 Q. Is that a lending entity? 23 A. We have done lending through that 24 entity. 25 Q. Is it an active lending entity today?</p>

SHAUL C. GREENWALD

Page 134

1 S. Greenwald
2 A. I don't know.
3 Q. Did it do a one-time loan, Kingspark,
4 or has it done other loans?
5 A. It has done other loans.
6 Q. What is the relationship between
7 Kingspark and 3839?
8 A. Similar relationship.
9 Q. So it's an affiliate?
10 MR. ZELMANOVITZ: It depends on
11 how you define "affiliate."
12 Q. With common members. Is that an
13 affiliate?
14 A. I don't characterize it as an
15 affiliate. I characterize it as I am involved in
16 many different businesses, and this is one of the
17 businesses I am involved.
18 Q. Does 3839 Holdings have the same
19 members as Kingspark Holdings?
20 A. I am not a hundred percent sure.
21 Q. Did there come a time when a loan was
22 actually made for \$6 million? Money changed hands?
23 A. Yes.
24 Q. Who was the loan given to?
25 A. The loan was a -- the money that was

Page 135

1 S. Greenwald
2 paid out of Kingspark Holdings went into -- for a
3 deposit for the 3 Mitchell Place transaction.
4 Q. But what entity actually received the
5 money?
6 A. Riverside Abstract escrow. It went
7 into escrow.
8 Q. It went into escrow?
9 A. It never left our escrow account, as
10 far as at that point.
11 Q. Are you doing the title work on this
12 contract?
13 A. Was I?
14 Q. Was Riverside.
15 A. At some point we could have, yes.
16 Q. I am just trying to understand. So
17 Sprei and Miller needed a \$6 million deposit;
18 correct?
19 A. Uh-huh.
20 Q. You put up the deposit, you being
21 Kingspark Holdings; correct?
22 A. Kingspark Holdings put up the deposit,
23 yes.
24 Q. And you put it up -- and you held it
25 as the escrow agent; correct? For the contract.

Page 136

1 S. Greenwald
2 A. Yes.
3 Q. Was there any agreement signed between
4 Kingspark Holdings and Miller and Sprei? Loan
5 agreements? Anything of that nature?
6 A. Could I get a time frame on that?
7 Q. When this happened in December of
8 2014.
9 A. At that point, I don't recall.
10 MR. ZUCKERBROD: I call for the
11 production of all loan agreements.
12 MR. ZELMANOVITZ: Taken under
13 advisement.
14 Q. Where did Kingspark get \$6 million to
15 loan?
16 MR. ZELMANOVITZ: Okay. I am
17 going to let this go just about a step
18 or two further, and then I am going to
19 cut it off.
20 MR. NASH: You can't cut it off.
21 MR. ZELMANOVITZ: You are
22 wasting everybody's time.
23 MR. NASH: I am hardly wasting
24 anybody's time.
25 MR. ZELMANOVITZ: I can do what

Page 137

1 S. Greenwald
2 I am going to do.
3 MR. NASH: The fact that you get
4 so incensed means I am not wasting
5 anybody's time.
6 MR. ZELMANOVITZ: Answer this
7 question.
8 A. It was not from any funds that are
9 relevant to this scenario.
10 Q. Where did it come from?
11 A. From Kingspark Holdings.
12 Q. Where did Kingspark Holdings get the
13 money to lend \$6 million?
14 A. We had different ways of locating
15 money.
16 Q. I am not asking you if you had
17 different ways. I am asking you where did Kingspark
18 get \$6 million to put into the Riverside escrow
19 account as a deposit for the contract?
20 A. I don't recall.
21 Q. Now, at the time that Kingspark lent
22 \$6 million for the deposit of the contract, did
23 Miller and Sprei still owe you a million seven?
24 A. I don't recall the exact number.
25 Q. Well, you recall testifying about that

SHAUL C. GREENWALD

Page 138

1 S. Greenwald
2 there was a balance of about a million seven that
3 was still owed to you?
4 A. At the time of the closing --
5 MR. ZELMANOVITZ: He also
6 testified there was a subsequent
7 payment.
8 Q. Yes. How much was the subsequent
9 payment?
10 A. I don't recall.
11 Q. Did they owe any money to you at the
12 time that you lent them another \$6 million?
13 A. Yes.
14 Q. How much did they owe you?
15 A. I don't recall.
16 Q. Did it concern you when you lent them
17 \$6 million that they owed you money on other deals?
18 MR. ZELMANOVITZ: Objection as
19 to form.
20 Q. You can answer.
21 A. Did it concern me? I wouldn't have
22 lent it if I was concerned about the money.
23 Q. What were the terms of the loan?
24 A. The terms of the loan was that we were
25 giving them \$6 million and within a few days they

Page 139

1 S. Greenwald
2 would replace the money.
3 Q. Did you sign an iska agreement?
4 A. I don't recall, but I don't think so.
5 Q. When you say "within a few days," how
6 many days?
7 A. My recollection, within a week.
8 Q. Did you ask them before you gave them
9 \$6 million how they were going to replace the money?
10 A. Of course.
11 Q. What did they say?
12 A. Let me go back. Originally -- now
13 that you mentioned this, I do recall one more point.
14 Q. I can't hear you. You have to speak
15 up.
16 A. Now that you mentioned this, I do
17 recall one more point. They originally asked me for
18 \$4 million. As they got closer to the point where
19 they had to -- ostensibly, they had to sign a
20 contract, otherwise they wouldn't be able to get it
21 or whatever else he told me at that point, he asked
22 for another additional \$2 million. I told him I
23 don't want to lend him more money. He brought to my
24 home at night another fellow who signed a personal
25 guaranty.

Page 140

1 S. Greenwald
2 Q. Who was that fellow?
3 A. An older gentlemen named -- I am bad
4 with names. I forget his name.
5 Q. We are talking about between 4 and
6 \$6 million.
7 A. Yes. If you give me a moment, I might
8 remember, but --
9 Q. Did you --
10 MR. ZELMANOVITZ: Let him finish
11 his answer.
12 Q. Yes.
13 A. He came to my home. He was this
14 fellow who I have done some business with. I
15 shouldn't even say that. He is not a client of
16 mine. I just knew him from around, but I know he
17 has been involved.
18 And he came and he told me that
19 he's -- actually, he gave me a check for \$2 million.
20 Mr. Sprei did.
21 Q. He came to borrow --
22 MR. ZELMANOVITZ: Wait. Wait.
23 We're not finished yet.
24 Q. Yes.
25 A. He comes to my house. He gives -- he

Page 141

1 S. Greenwald
2 has a check prepared for \$2 million. He said the
3 check is not -- there were no -- the funds will be
4 available, I don't remember what date. The funds
5 would be available shortly. He gives me a check for
6 \$2 million.
7 I said I don't care if you give me a
8 check for \$2 million. It's not meaningful to me. I
9 need someone behind it. Which at that point, I said
10 it doesn't mean anything.
11 So he brought this other fellow, who
12 wrote up, if I recall, a handwritten personal
13 guaranty, that this fellow, who I was comfortable
14 with that, to sign a personal guaranty on those
15 funds. And that was regarding \$2 million.
16 Q. Who was this comfortable fellow? Do
17 you know his name?
18 A. I know his name. I just have to pull
19 it out of my memory.
20 Yosef Billig. Yosef Billig,
21 B-I-L-L-I-G.
22 Q. And he signed the guaranty in your
23 house?
24 A. Yes, if I recall.
25 Q. And based upon that guaranty you now

SHAUL C. GREENWALD

Page 142

1 S. Greenwald
2 increased your loan from 4 million to 6 million?
3 A. Yes.
4 Q. And did you sign any other documents
5 with Mr. Billig besides the guaranty?
6 A. Not to the best of my knowledge.
7 Q. Who drew the check? Who was the check
8 drawn on for \$2 million?
9 A. I don't remember. Not Mr. Billig. It
10 was one of Sprei, Miller -- I don't recall that.
11 Q. And they asked you to put money into
12 your escrow account as a deposit for \$6 million?
13 A. They asked me, yes; correct.
14 MR. STEVENS: I am still waiting
15 to see where the connection to 45 John
16 Street is.
17 MR. NASH: Relax.
18 MR. ZELMANOVITZ: No, I am not
19 going to relax. I am going to let this
20 go on for about two minutes more.
21 MR. NASH: You can do whatever
22 you want. You will be before the judge
23 on Monday. You can do whatever you want
24 to do.
25 MR. ZELMANOVITZ: That's okay.

Page 143

1 S. Greenwald
2 I have been before the judge enough.
3 Just show where this connects to 45
4 John.
5 Q. Okay. Now, the entity that signed the
6 contract to purchase Mitchell Place, what's the name
7 of that entity?
8 A. Something like 3 Mitchell Place Lofts,
9 LLC. Something like that.
10 Q. Did you form that entity?
11 A. I think I was involved in the
12 formation. I don't recall.
13 Q. How were you involved in the
14 formation?
15 A. It may have gone through one of our
16 services that forms entities.
17 Q. Are you a principal of 3 Mitchell
18 Place Lofts LLC?
19 A. I am a member of 3 Mitchell Place -- I
20 shouldn't say "I." Kingspark Holdings is now a
21 member of 3 Miller Lofts.
22 Q. Was it an original member?
23 A. I don't recall.
24 Q. Who were the original members?
25 A. I don't recall. I believe the idea

Page 144

1 S. Greenwald
2 was we are putting in, at that point, until we get
3 back our money -- we had 75 percent of the entity.
4 Q. Who had the other 25 percent?
5 A. The party -- well, I can't really
6 answer that right now.
7 Q. Did Miller and Sprei have any interest
8 in it?
9 A. I don't know.
10 Q. Have you ever seen an operating
11 agreement for 3 Mitchell Place Lofts LLC?
12 A. Yes.
13 Q. What does that operating agreement
14 reflect as to the members?
15 A. I am trying to recall. I think it's
16 75 percent of my entity and 25 percent is -- I think
17 it may have said Sam Sprei. I don't know.
18 Q. Were you represented by an attorney in
19 connection with the 3 Mitchell Place Lofts
20 organization?
21 A. Explain what does that mean.
22 Q. Did you engage an attorney to
23 represent your interests in connection with the 3
24 Mitchell Place Lofts LLC?
25 MR. ZELMANOVITZ: In regard to

Page 145

1 S. Greenwald
2 what aspect?
3 Q. Have you engaged an attorney in any
4 aspect relating to 3 Mitchell Place, your interest
5 in connection with that transaction? Any aspect.
6 Have you retained an attorney?
7 A. At that point?
8 Q. At any point.
9 A. Sure.
10 Q. Who was the attorney?
11 A. I have worked with Jeffrey Fleishman
12 at some point.
13 Q. Was Yisroel Schwartz --
14 MR. ZELMANOVITZ: Wait. He
15 didn't finish.
16 Q. Is there another attorney?
17 A. Well, at the beginning, when they --
18 when the contract was done, I believe Yisroel
19 Schwartz was the attorney handling that transaction.
20 Q. So Yisroel Schwartz handled the
21 transaction on behalf of 3 Mitchell Place Lofts;
22 correct?
23 A. Yes, I believe so.
24 Q. Did he prepare the operating
25 agreement?

SHAUL C. GREENWALD

Page 146

1 S. Greenwald
2 A. At some point, yes.
3 Q. Did he prepare the contract of sale?
4 A. That, I don't know.
5 Q. Who were the authorized signers under
6 the operating agreement? Were you an authorized
7 signer?
8 MR. ZELMANOVITZ: At what point
9 in time?
10 Q. At any point in time.
11 A. I am an authorized signer.
12 Q. When did you become an authorized
13 signer?
14 A. We have been since December. At the
15 beginning it was supposed to be quick, in and out.
16 I wasn't supposed to have any money in the deal. It
17 was supposed to be really very short term.
18 But since that point there have been
19 many discussions about my rights, my rights to this
20 property. And ultimately, we have -- and I don't
21 recall a time frame -- but we have agreed that I do
22 have rights to the -- to that entity.
23 Q. Okay. So I asked you a question.
24 When he came to you and said, "I want to borrow
25 6 million," I asked you did you ask him how he is

Page 147

1 S. Greenwald
2 going to pay you back, and you said "of course."
3 What did he say?
4 A. So I had a personal guaranty from
5 Mr. Billig, and --
6 Q. Did Mr. Billig have --
7 MR. ZELMANOVITZ: Wait a minute.
8 You are not waiting for him to finish.
9 Q. Fine. Go. Mr. Billig.
10 A. I can do it either way.
11 Q. Your lawyer wants you to talk, talk.
12 A. Okay. Yes, I -- Mr. Billig signed a
13 personal guaranty. I haven't collected on the
14 personal guaranty. I haven't been able to. The
15 remaining \$4 million, what I was told was -- and
16 this I don't recall if it was prior to or right
17 after the signing of the contract, I don't recall --
18 but there was another fellow -- I don't recall his
19 name -- that was brought to me by Mr. Sprei or
20 introduced to me by Mr. Sprei. I don't think he was
21 with me at the meeting. He said, "Oh, I want you to
22 before" -- I assume -- again, I can't say for sure.
23 But I believe it was before the contract was signed
24 that I asked him -- he was telling me it was going
25 to be filled within a week. I said, okay, that

Page 148

1 S. Greenwald
2 means you are pretty much there. What's the
3 situation?
4 Someone came to me that he introduced
5 to me, and he said he is going to buy the property
6 at a higher price.
7 Q. Okay. So --
8 MR. ZELMANOVITZ: Now, I am
9 going to note for the record --
10 MR. NASH: You can note. You
11 can note.
12 MR. ZELMANOVITZ: Just be quiet
13 for a second. It's 11:00 a.m. We had
14 agreed to stay here until 11:00 a.m. We
15 are going to give you a couple of more
16 minutes. But I find it unbelievable
17 that you are spending so much time on a
18 transaction that has absolutely nothing
19 to do with 45 John Street.
20 MR. NASH: Okay.
21 MR. ZELMANOVITZ: And you are
22 spending all of the time and the money
23 for all of the clients that are being
24 represented at this table.
25 I am telling you now I am giving

Page 149

1 S. Greenwald
2 you a couple more minutes and then we
3 are out of here.
4 MR. NASH: The rule is seven
5 hours for a deposition. So I don't know
6 where you think --
7 MR. ZELMANOVITZ: You were on
8 the phone call with the judge --
9 MR. NASH: Okay.
10 MR. ZELMANOVITZ: -- when the
11 judge said give him three hours, and
12 that's exactly what we are doing.
13 MR. NASH: That didn't limit --
14 MR. ZELMANOVITZ: And there was
15 an agreed form of order, where that was
16 put into the order. No one objected to
17 it.
18 Then on this last phone call
19 with the judge, the judge asked how long
20 the deposition was going to go, and I
21 said three hours. No one piped up and
22 objected.
23 I am not going to stand here and
24 listen to talk about seven hours. All
25 right? This is a subpoenaed witness.

SHAUL C. GREENWALD

Page 150

1 S. Greenwald
2 You are spending time on a transaction
3 that has absolutely nothing to do with
4 45 John Street.
5 MR. NASH: It has to do with
6 everything with Miller and Sprei. So
7 let's get to it.
8 MR. ZELMANOVITZ: Miller and
9 Sprei are not the issue here. 45 John
10 is the issue here.
11 MR. NASH: Okay. Let's get to
12 it.
13 BY MR. NASH:
14 Q. Who did you indicate that you were
15 holding \$6 million in your escrow account to under
16 this contract? Did you indicate to anybody that you
17 were holding \$6 million?
18 A. Of course.
19 Q. Who did you tell that to?
20 A. We signed a contract.
21 Q. That your firm was holding \$6 million
22 as the escrow agent?
23 A. Sure.
24 Q. Now, when you signed the contract --
25 A. Not \$6 million.

Page 151

1 S. Greenwald
2 Q. How much was it?
3 A. It was \$8 million.
4 Q. \$8 million. When you signed the
5 contract, did you indicate in the contract that you
6 had loaned -- you, Riverside, or an affiliate of
7 Riverside -- had loaned the deposit to the
8 purchaser?
9 MR. ZELMANOVITZ: Objection as
10 to form.
11 A. It was irrelevant.
12 Q. Did you notify anybody of that?
13 A. No.
14 MR. ZELMANOVITZ: Notify who?
15 Q. Now, who retained you as the title
16 company for this transaction on Mitchell Place?
17 A. At that point?
18 Q. Yes.
19 A. Mr. Schwartz and Mr. Sprei and
20 Mr. Miller.
21 Q. At that point in time Mr. Sprei had a
22 25 percent interest in the purchasing entity?
23 A. I don't recall.
24 Q. Did that contract ever go into
25 default?

Page 152

1 S. Greenwald
2 A. Yes.
3 Q. When did it go into default?
4 A. I don't recall exact dates, but
5 whatever the terms of the contract were.
6 Q. How was the default resolved?
7 A. That's is a good question, how was it
8 resolved. It was in default. And then it was a
9 large issue for us, because it was a lot of money at
10 stake. It was an LP put on to the property by the
11 entity, through Mr. Sprei's -- someone who --
12 Q. What do you mean, an LP?
13 A. A lis pendens.
14 Q. Who put a lis pendens on the property?
15 A. I believe that the scenario may have
16 started the opposite way, where the seller brought
17 an action. I don't know what type of action. I am
18 not sure. But an action in order to clear the issue
19 that there was money that was released for a
20 deposit.
21 Q. So you were in --
22 MR. NASH: I am just trying to
23 get it clarified. Just relax.
24 MR. ZELMANOVITZ: You relax.
25 Wait.

Page 153

1 S. Greenwald
2 A. So there was money that was actually
3 released for the deposit.
4 Q. Right.
5 A. Not only in the escrow account. At
6 some point the contract called for a release of
7 deposit. The money was actually released to the
8 seller. That amount was \$8 million, as discussed.
9 \$8 million was released.
10 And then in order for the seller to --
11 I guess, they felt in order to sell the company --
12 sell the property, that they wanted to go to court
13 and just resolve the issues. They went to court.
14 At some point thereafter there was a lis pendens put
15 on the property. The judge set some sort of
16 discovery on it or some sort of time frame on it for
17 sometime in late July. And then there was a
18 stipulation of settlement that was entered into at
19 some point.
20 Q. What's a stipulation of settlement?
21 A. That there would be a new buyer that
22 would have the opportunity to come in and to
23 purchase the property.
24 Q. Was there an additional deposit given?
25 A. Yes.

SHAUL C. GREENWALD

Page 154

1 S. Greenwald
2 Q. How much was the additional deposit?
3 A. \$8 million.
4 Q. Did you put up that \$8 million?
5 A. No, I did not.
6 Q. Who put that up?
7 A. The buyer.
8 Q. Who is the new buyer?
9 A. I don't know the name of the LLC, but
10 it was a -- I don't recall, but an LLC.
11 Q. So you found a new buyer?
12 A. I actually did.
13 I shouldn't say that. I had a client
14 of mine who I spoke to about the transaction, and
15 then -- a friend of mine -- and he found a new
16 buyer.
17 Q. Do you know the name of the new buyer?
18 A. No.
19 Q. Is the new buyer closing that
20 transaction on Monday?
21 A. I am not sure when they are closing.
22 They are trying to close as soon as possible.
23 Q. And if that transaction closes, what
24 do you receive at closing?
25 A. I hope to receive some part of my

Page 155

1 S. Greenwald
2 deposit back.
3 Q. How much do you hope to receive?
4 A. As much as possible.
5 Q. Why wouldn't you get the entire
6 deposit back?
7 A. Because the structure of the deal is
8 that I won't be getting my full deposit back.
9 Q. What is the structure of the deal?
10 A. There are a series of notes that in
11 order to make this deal work for the buyer, I was
12 willing to wait to save my deposit, which I
13 potentially could have lost -- I was willing to wait
14 for a certain period of time to give the buyer some
15 time to stabilize the asset and -- or whatever other
16 requirements he had. I didn't really care what the
17 reasons are. My main concern was to make sure that
18 this deal gets to the -- to try to find a new buyer.
19 Q. So the new buyer, is that -- he has
20 been referred to by Mr. Miller as a Russian
21 investor. Is that the new buyer?
22 A. Yes, correct.
23 Q. You don't know the Russian investor's
24 name?
25 A. No, I don't.

Page 156

1 S. Greenwald
2 Q. And the Russian investor is going to
3 give you money, and he is going to give you notes;
4 correct?
5 A. No.
6 Q. So what are you getting?
7 A. I have three notes.
8 Q. You are holding three notes. Who is
9 the maker of those notes?
10 A. The -- I believe -- I don't recall.
11 Q. Is Sprei and Miller the maker of those
12 notes?
13 A. No.
14 Q. Anybody affiliated with Sprei and
15 Miller the maker of those notes?
16 A. No.
17 Q. So you are taking notes, and you don't
18 know who is going to be the one that is paying you
19 for those notes?
20 A. It has nothing to do with Sprei and
21 Miller.
22 Q. But I am asking you.
23 A. Someone affiliated --
24 MR. ZELMANOVITZ: And what's the
25 relevance of that?

Page 157

1 S. Greenwald
2 A. -- with the buying entity, that's for
3 sure. I just don't know the name. You asked me for
4 a name.
5 Q. So who is the principal?
6 A. I don't know his name.
7 Q. What does the firm of Fink &
8 Zelmanovitz have to do with this?
9 A. They are the nominee under the note,
10 that I am friends with, and I didn't want the money
11 to be just put anywhere else. So I said that I
12 wanted it to go as nominee to them so we could make
13 sure that we receive our money.
14 Q. So Fink & Zelmanovitz are your
15 nominee?
16 A. Nominee for -- yes, for the notes, as
17 far as getting any funds back when we get the money
18 back on the notes, correct.
19 Q. Is that a law firm?
20 A. Yes, it is.
21 Q. Does it have any connection to this
22 Zelmanovitz?
23 MR. ZELMANOVITZ: In what sense?
24 MR. NASH: In any sense. The
25 coincidence that it's the same last

SHAUL C. GREENWALD

Page 158	Page 160
<p>1 S. Greenwald 2 name. 3 MR. ZELMANOVITZ: You can 4 answer. 5 A. Yes. It's actually Mr. Zelmanovitz' 6 son is one of the principals or one of the partners 7 at the firm. To the best of my knowledge, he is a 8 partner. He is named. 9 Q. So you are using this law firm -- are 10 they the direct payee, or are you the payee and you 11 are directing the monies be sent to the law firm? 12 A. Explain the question. 13 Q. You said Fink & Zelmanovitz were your 14 nominee? 15 A. Yes. 16 Q. Do you have an agreement between 17 Fink & Zelmanovitz and you? 18 MR. ZELMANOVITZ: Okay. That's 19 it. No more questions. 20 I am directing you not to answer 21 any longer. 22 You have had enough time to show 23 any kind of connection whatsoever. 24 MR. NASH: Oh, please. 25 MR. ZELMANOVITZ: You are</p>	<p>1 S. Greenwald 2 A. Yes. I see it. 3 MR. ZELMANOVITZ: Schedule A, 4 you are looking at? 5 MR. NASH: Right. 6 Q. Now, it says as an agent for Chicago 7 Title Insurance Company. Do you see that? 8 A. Yes. 9 Q. Now, it also says or there is 10 reference to this that this is a recertification 11 from an earlier effective day. 12 A. I don't know if you understand what 13 the word "recertified" means. 14 Q. Well, were you consulted at an earlier 15 date for a lender policy at any point in time? 16 MR. ZELMANOVITZ: A lender 17 policy? 18 MR. NASH: Yes. 19 A. All I could tell you is -- 20 Q. To issue a policy in connection with a 21 loan or a refinancing. 22 A. The commitment says effective date 23 June 26, 2014. 24 Q. Right. 25 A. So there is a recertified date, which</p>
Page 159	Page 161
<p>1 S. Greenwald 2 abusing this witness. 3 MR. NASH: Please. You are 4 using your son as a nominee for this man 5 who is doing business with Sprei and 6 Miller. You have to stop. 7 MR. ZELMANOVITZ: Stop. Don't 8 answer him. 9 Q. All right. Now, when you issued the 10 title abstract on 45 John, did you discuss that with 11 anybody at Riverside before you issued the abstract? 12 A. I don't understand the question. 13 Q. At Old Republic. Did Riverside 14 discuss issuing the title abstract with anybody at 15 Old Republic before you did? 16 A. I don't recall. 17 Q. When you issued what we have marked, I 18 guess, Sprei No. 10, as part of Sprei No. 10 -- can 19 you go to your Riverside Abstract LLC form, Schedule 20 A. 21 MR. ZELMANOVITZ: You are 22 looking at the attachment on this? 23 MR. NASH: Yes. 24 A. Yes. We saw this before. 25 Q. Right.</p>	<p>1 S. Greenwald 2 just means that at the closing we run a rundown or a 3 continuation of title to check the subject matter of 4 title, and that was done through 9/18/2014. 5 Q. So you first started running title in 6 June of 2014? 7 A. No. That's not necessarily what it 8 means. I don't know what date. It could have been 9 an earlier date. It could have been a later date. 10 But when it says effective date, at 11 least on this commitment at this point, this title 12 number RANY-16467, the effective date is June 26, 13 which is usually a few days -- maybe 15 to 30 days 14 prior to the date that this is actually issued, in 15 order that we just make sure that we have everything 16 that is included up to that period. 17 Q. Okay. Can you go to Schwartz Exhibit 18 16, please. 19 A. Yes. 20 Q. Do you recognize these emails? 21 A. I saw them in production. 22 Q. Okay. It says -- the first email, 23 July 23, I am reading from the top. This is from 24 Schwartz to Polina Kohan; you are cc'd with Elliot 25 Schon. Do you see that?</p>

SHAUL C. GREENWALD

Page 162

1 S. Greenwald
2 A. Yes.
3 Q. It says, "We lost the battle. Lender
4 is insisting that Chicago run point, with Riverside
5 as 50 percent co-insurer. I'll provide the contact
6 person at Chicago as soon as possible."
7 What does that email referring to?
8 A. I can tell you what it says, and what
9 I believe he is referring to. There are many
10 underwriters, as we mentioned before. And the
11 lender seems to -- which happens often, on a lot of
12 the transactions -- that the lender will have a
13 relationship with the title.
14 They want to use Chicago Title to run
15 point, which usually means to -- what we call in the
16 industry standard, to know -- to lead the
17 transaction. They would handle the transaction on
18 the loan. And Riverside will just be what we call
19 co-insurance, or at each endorsement we issue, which
20 would basically insure 50 percent. But we wouldn't
21 be involved in the running of the entire
22 transaction, and we wouldn't get our full premium --
23 and we wouldn't receive our full premium on the
24 transaction.
25 Q. Now, who is the lender that they are

Page 163

1 S. Greenwald
2 referring to?
3 A. I don't know.
4 Q. Did you understand that in July of
5 2014, 45 John Lofts was seeking a mortgage
6 refinancing?
7 A. I don't recall.
8 Q. Did you understand that when the
9 abstract was first run for Chicago Title Insurance,
10 it was done in connection with a mortgage
11 refinancing?
12 MR. ZELMANOVITZ: Objection as
13 to form.
14 Q. You can answer.
15 A. I don't recall.
16 Q. When did Chicago Title drop out as the
17 underwriter and Old Republic come in?
18 MR. ZELMANOVITZ: Objection as
19 to form.
20 You can answer.
21 A. I don't recall.
22 Q. You do recall, though, Old Republic
23 actually issued the policy?
24 A. Not for that time period.
25 Q. Who do you recall issued the policy?

Page 164

1 S. Greenwald
2 A. I don't --
3 MR. ZELMANOVITZ: At that time?
4 July?
5 Q. No.
6 A. In September.
7 Q. In the John transaction.
8 A. I don't recall at that point.
9 Q. Was Chicago Title still involved in
10 potentially issuing the policy in September of 2014?
11 A. All I know is that Old Republic
12 issued -- we issued the policy through Old Republic.
13 I don't recall what title --
14 Q. Did you call Old Republic?
15 A. I don't recall.
16 Q. You have no recollection as to how Old
17 Republic came to be the issuer of the title policy?
18 A. I don't recall.
19 Q. Who in your organization would be
20 involved in contacting potential underwriters to
21 issue title policies?
22 A. Almost anyone that runs either the
23 coordination, attorneys, anyone could call Old
24 Republic and discuss deals with them.
25 Q. Okay.

Page 165

1 S. Greenwald
2 A. I am not sure about -- let me just
3 point out something about my company. I think it's
4 important to know.
5 We underwrite through various
6 underwriters. We decide who to put our paper, who
7 to transact business with generally based on a
8 relationship with the underwriters and other
9 factors. So I don't know why we put it on Old
10 Republic. But I can tell you that most of our
11 deals, probably in excess of 50 percent of our
12 deals, we do try to put on Old Republic because we
13 do have a very good relationship with them. In the
14 past, for sure, until today.
15 MR. ZELMANOVITZ: Kevin, can I
16 ask you how much longer you have?
17 MR. NASH: Probably a good half
18 hour.
19 MR. ZELMANOVITZ: He can't stay
20 that long. You are not going to have a
21 half hour. We can't stay that long. I
22 can give you about 10 or 15 minutes.
23 Q. Who at Riverside has the relationship
24 at Old Republic? Do you have that?
25 A. Sure. Together with others.

SHAUL C. GREENWALD

Page 166	Page 168
<p>1 S. Greenwald</p> <p>2 Q. Who is your relationship with at Old</p> <p>3 Republic?</p> <p>4 A. Various parties.</p> <p>5 Q. Name some.</p> <p>6 A. We work together with Marvin Bagwell;</p> <p>7 he is an attorney. Paul Reisman, who is an</p> <p>8 attorney. R-E-I-S-M-A-N, I believe. We have --</p> <p>9 well, now I came to Maria through this situation.</p> <p>10 We do have a couple of reps that we</p> <p>11 deal with on a -- you know, time-to-time basis.</p> <p>12 Q. Do you recall when you first contacted</p> <p>13 Old Republic in connection with getting involved in</p> <p>14 this transaction?</p> <p>15 A. I don't recall.</p> <p>16 MR. ZELMANOVITZ: Objection as</p> <p>17 to form. He said he didn't recall</p> <p>18 contacting Old Republic.</p> <p>19 Q. Well, they were contacted; right?</p> <p>20 A. I don't recall.</p> <p>21 Q. Well, they issued the policy?</p> <p>22 A. That's correct. They issued the</p> <p>23 policy.</p> <p>24 Q. When you contact an insurance</p> <p>25 underwriter regarding a deal, do you do it in</p>	<p>1 S. Greenwald</p> <p>2 knows what they are actually insuring?</p> <p>3 A. No.</p> <p>4 Q. So is it your testimony there is no</p> <p>5 verification by Old Republic as to your omissions in</p> <p>6 a title abstract? They just take your word for it</p> <p>7 that you have done all of the necessary due</p> <p>8 diligence, and they will issue it based upon</p> <p>9 whatever you write in that abstract?</p> <p>10 MR. ZELMANOVITZ: Objection.</p> <p>11 That was your testimony, not the</p> <p>12 witness' testimony.</p> <p>13 Q. You can answer.</p> <p>14 A. As my attorney said, I didn't say</p> <p>15 that.</p> <p>16 Q. What information did you provide to</p> <p>17 Old Republic before they issued the title policy?</p> <p>18 A. I don't recall.</p> <p>19 Q. Is there a file about that?</p> <p>20 A. I don't recall.</p> <p>21 Q. Did you ever have conversations with</p> <p>22 anybody at Old Republic after the title policy was</p> <p>23 issued and this lawsuit started?</p> <p>24 MR. ZELMANOVITZ: Yes or no,</p> <p>25 answer.</p>
Page 167	Page 169
<p>1 S. Greenwald</p> <p>2 writing?</p> <p>3 A. Not always.</p> <p>4 MR. NASH: I call for production</p> <p>5 of all documents relating to the</p> <p>6 issuance of the policy from Riverside</p> <p>7 Abstract and Old Republic.</p> <p>8 Q. When Old Republic issued the policy,</p> <p>9 were there any discussions with them as to the</p> <p>10 authority of the seller, 45 John Lofts LLC, to sign</p> <p>11 a contract?</p> <p>12 MR. ZELMANOVITZ: Can I hear the</p> <p>13 question back, please?</p> <p>14 (The record was read.)</p> <p>15 MR. ZELMANOVITZ: Objection as</p> <p>16 to form.</p> <p>17 Q. Did you have any discussions with</p> <p>18 anybody at Old Republic about that?</p> <p>19 A. I don't recall.</p> <p>20 Q. Did you review with Old Republic your</p> <p>21 marked-up abstract, which is Exhibit 10?</p> <p>22 A. I don't recall.</p> <p>23 Q. Would it be a usual practice, before</p> <p>24 an underwriter issues a title policy, to review with</p> <p>25 them your marked-up abstract so the title company</p>	<p>1 S. Greenwald</p> <p>2 A. Could you repeat the question?</p> <p>3 Q. Did you ever have any conversations</p> <p>4 with anyone at Old Republic, after this lawsuit was</p> <p>5 issued, regarding the abstract?</p> <p>6 A. Yes.</p> <p>7 Q. Did anybody at Old Republic ever ask</p> <p>8 you what you relied upon when you omitted items --</p> <p>9 MR. ZUCKERBROD: 15 and 16.</p> <p>10 Q. -- 15 and 16 from Schedule B of the</p> <p>11 exception?</p> <p>12 MR. ZELMANOVITZ: Objection.</p> <p>13 Direct you not to answer.</p> <p>14 MR. NASH: On what basis?</p> <p>15 MR. ZELMANOVITZ: Attorney-</p> <p>16 client.</p> <p>17 Q. Well, when you say -- tell me who was</p> <p>18 involved in those communications so we can see if</p> <p>19 there is any possible foundation.</p> <p>20 MR. ZELMANOVITZ: Who did you</p> <p>21 speak to at Old Republic, is basically</p> <p>22 what he is asking. If you spoke to them</p> <p>23 on that subject.</p> <p>24 A. I spoke to Maria. I was in their</p> <p>25 office. I don't recall if I spoke to anyone else.</p>

SHAUL C. GREENWALD

Page 170

1 S. Greenwald
2 I spoke to Maria about this particular scenario.
3 Q. And who is Maria?
4 A. Maria Filippelli. She is in this room
5 at this point.
6 Q. And who is?
7 A. She is counsel for Old Republic for
8 claims.
9 Q. Is she your attorney?
10 A. I am an agent to Old Republic.
11 Q. Is she your attorney?
12 MR. ZELMANOVITZ: Objection.
13 Asked and answered.
14 That's it. Don't answer any
15 more questions like that.
16 Q. Is she your attorney?
17 MR. ZELMANOVITZ: His personal
18 attorney?
19 MR. NASH: Yes.
20 MR. ZELMANOVITZ: Is she your
21 personal attorney?
22 THE WITNESS: She is not my
23 personal attorney.
24 Q. Is she Riverside's attorney?
25 A. We are an agent to Old Republic.

Page 171

1 S. Greenwald
2 Q. But is she Riverside's attorney?
3 MR. ZELMANOVITZ: You take it
4 the way it is.
5 MR. NASH: I am not going to
6 take it the way it is.
7 MR. ZELMANOVITZ: Objection.
8 Asked and answered.
9 I direct you not to answer.
10 Q. Did you produce any documents for Old
11 Republic after this lawsuit was started?
12 MR. ZELMANOVITZ: You can answer
13 that yes or no.
14 A. Yes.
15 Q. Did you produce any written
16 memorandums and summaries of the events that
17 happened?
18 MR. ZELMANOVITZ: I direct you
19 not to answer.
20 You are not to tell Mr. Nash
21 what you produced to Old Republic.
22 Q. Did you tell Old Republic, "Oh, by the
23 way" --
24 MR. ZELMANOVITZ: This is not a
25 litigation over the title policy claim.

Page 172

1 S. Greenwald
2 If you want to start a separate action
3 on that, that's separate. This is about
4 45 John. You are totally off base.
5 Q. Did you tell anybody at Old Republic
6 that you had a loan transaction with affiliates of
7 Miller and Sprei and that your companies received
8 \$2 million at the -- in connection with the larger
9 closing?
10 MR. ZELMANOVITZ: Objection.
11 Don't answer any further
12 questions about what you spoke to Old
13 Republic about subsequent to the
14 transaction.
15 Q. Now, did you understand that without
16 the deposit that Miller and Sprei could not buy out
17 Mr. Zhu and you could not get paid money from that
18 larger transaction?
19 A. Repeat --
20 MR. NASH: Can you repeat that
21 question, please?
22 (The record was read.)
23 MR. ZELMANOVITZ: What deposit
24 are we talking about now?
25 Q. The debtor's deposit, you acknowledge.

Page 173

1 S. Greenwald
2 a great bulk of it was used to fund the settlement
3 with Mr. Zhu, and you knew about that?
4 MR. ZELMANOVITZ: Absolutely
5 not. And if you take a look at the
6 direction letter, which you are trying
7 to avoid, you would see that's not the
8 case.
9 Q. Do you understand that?
10 It's not the case. Let's look at
11 Exhibit 6. Let's go back to Exhibit 6. And let's
12 stop playing games here.
13 MR. ZELMANOVITZ: Okay. You
14 have five more minutes, and then that's
15 it.
16 MR. NASH: I have as much time
17 as I need. Okay?
18 Q. Do you see Exhibit 6, the first two
19 pages?
20 A. I am not there yet.
21 Yes.
22 Q. Do you see that Exhibit 6 references
23 various transactions that were closing together?
24 A. Yes.
25 Q. Do you see that the monies from the

SHAUL C. GREENWALD

Page 174

1 S. Greenwald
2 various transactions that were closing together were
3 commingled for the purposes of distribution? Do you
4 see that?
5 MR. ZELMANOVITZ: Objection.
6 That's not what this says.
7 Q. Do you see that?
8 A. I see that there are a lot of numbers
9 on here and there is an accounting of where all of
10 these funds from these various transactions were.
11 Q. And they all went into Riverside, and
12 Riverside made the disbursement after collecting
13 funds from various sources? Do you see that?
14 A. At different points, yes.
15 Q. At different points. It's at or about
16 September 18th and 19th; correct?
17 A. Correct.
18 Q. And one of the sources is from your
19 own company, 3839 Holdings; correct?
20 A. Correct.
21 Q. The other source is from Goldberg
22 Weprin of nine million seven fifty.
23 Now, you understood that was the bulk
24 of the contract deposit; correct?
25 MR. ZELMANOVITZ: Which contract

Page 175

1 S. Greenwald
2 deposit?
3 MR. NASH: The one with the
4 debtor.
5 A. Yes.
6 Q. You also understood that the other
7 sources of money from Kriss & Feuerstein, that was
8 from mortgage financing from Madison that was
9 funding the Zhu transaction; correct?
10 A. The Kriss & Feuerstein money came from
11 that transaction; correct.
12 Q. You also understood the Morgan Stanley
13 money of three million five eighty was contributed
14 by Mr. Sohn as part of the debtor's deposit;
15 correct?
16 A. You keep saying the word "understood."
17 I just want to clarify. The word "understood" or
18 the word "understand"?
19 I didn't understand then. I don't
20 recall every detail, as I mentioned. I don't
21 recall.
22 At this point I understand the things
23 you said before. The Morgan Stanley number, I
24 actually don't know.
25 Q. You saw that the monies disbursed went

Page 176

1 S. Greenwald
2 to various sources; right? They all came in
3 together, and they went out to various sources?
4 A. I did.
5 MR. ZELMANOVITZ: Objection as
6 to form.
7 Okay.
8 Q. Do you see that?
9 MR. ZELMANOVITZ: Two more
10 minutes.
11 A. Okay.
12 Q. Now, it says sum of invoices,
13 1,753,217.60. What does that represent?
14 A. There are one, two, three, four --
15 five different title numbers that were relevant to
16 those numbers, that were all part of the four
17 transactions what we were dealing with. And it
18 seems like those were the actual payments for those
19 invoices.
20 Q. Now, did those invoices represent the
21 actual bill, or did they also cover certain payments
22 that were owed to your company, 3839, that you
23 used -- that you included as part of the invoices?
24 A. No. They all -- they are invoices
25 that, I think, you have. So I think you should know

Page 177

1 S. Greenwald
2 that there are invoices in here that are Riverside
3 invoices for Riverside Abstract's services.
4 Q. And it's your testimony that the
5 actual charges incurred by Riverside for these
6 transactions was 1,753,217.60, and that was only for
7 title charges and did not include any monies that
8 were going to be passed back to your company 3839
9 Holdings under cover of these invoices?
10 A. You are categorizing it incorrectly.
11 Q. Well, then explain it to me.
12 MR. ZELMANOVITZ: Stop.
13 Q. Explain it to me.
14 A. There is \$1,753,217.60 that were on
15 Riverside invoices. Riverside invoices, as are
16 typical, include the mortgage tax, recording taxes,
17 all types of recording charges, other things.
18 Anything that has to do with title. It doesn't mean
19 that Riverside got all of this money to Riverside
20 Abstract as a company. We did receive this money as
21 a -- involved with the transaction, and then we
22 disbursed it as needs to be.
23 As to your question, if any of these
24 monies went 3839, the answer is that they did not go
25 in repayment of any money to 3839.

SHAUL C. GREENWALD

Page 178

1 S. Greenwald
2 MR. ZELMANOVITZ: And that's
3 where we are going to stop. Thank you.
4 MR. ZUCKERBROD: What do you
5 mean, you are stopping?
6 MR. NASH: It doesn't work --
7 MR. ZELMANOVITZ: That's the
8 time we gave.
9 MR. NASH: It doesn't work that
10 way.
11 MR. ZUCKERBROD: Mr. Schneider
12 hasn't had a chance to ask questions.
13 MR. ZELMANOVITZ: If you had
14 asked questions --
15 MR. ZUCKERBROD: Let me finish,
16 and then you can speak. You also showed
17 up here at 8:20 or 8:25. Look, let me
18 finish, and you can talk.
19 Obviously, there was a
20 miscommunication. I am not blaming
21 anybody for that.
22 The point is that we started
23 late. You said you could stay -- you
24 told me outside in the hall you could
25 stay probably until 11:45. It's now

Page 179

1 S. Greenwald
2 11:34.
3 The judge is not going to
4 appreciate hard deadlines and hard
5 cutoffs. We are trying to cooperate.
6 We are trying not to bring the witness
7 back.
8 MR. ZELMANOVITZ: I appreciate
9 what you are saying. But we stayed here
10 for a good half hour of a total waste of
11 time.
12 MR. ZUCKERBROD: That's your
13 opinion.
14 MR. ZELMANOVITZ: I understand.
15 Let me finish. I waited for you to
16 speak. Now you can do the same for me.
17 We have been going on -- sitting
18 here while Mr. Nash has gone on and on
19 with histrionics about matters that have
20 nothing to do with 45 John. You all sat
21 here and you watched as he wasted
22 everybody's time. Nobody objected.
23 Okay?
24 I am not going to be -- I am not
25 responsible, nor is my client

Page 180

1 S. Greenwald
2 responsible for your consent to his
3 playacting.
4 MR. NASH: Okay. Speaking of
5 playacting, do you want an Emmy or do
6 you want an Oscar?
7 MR. ZELMANOVITZ: I didn't
8 finish.
9 MR. NASH: Okay. Do you want an
10 Emmy or Oscar? You want a Tony? I will
11 give you a Tony.
12 MR. ZELMANOVITZ: You want ten
13 more minutes, that's it.
14 MR. NASH: I have one question.
15 I am ending mine. But in respect to
16 Mr. Schneider, I am going to defer, as
17 they say, to the gentleman.
18 MR. SCHNEIDER: I only need five
19 minutes.
20 BY MR. NASH:
21 Q. I notice that Quick Title Search is
22 located in Lakewood, New Jersey. Does Riverside
23 have an office in Lakewood, New Jersey?
24 A. Yes, we do.
25 Q. Are you familiar with Quick Title

Page 181

1 S. Greenwald
2 Search?
3 A. Only as a name. I don't know them.
4 Q. Are you familiar with an Abraham
5 Teitelbaum?
6 A. No.
7 Q. Are you familiar with anybody that
8 works at Quick Title?
9 A. I don't know who works there.
10 Q. Does anybody work at Quick Title that
11 also works for Riverside Abstract?
12 A. No. There is no relationship. At
13 least to my knowledge. I don't know what people do
14 on the side.
15 MR. NASH: I am going to give
16 some time to Mr. Schneider. I am not --
17 I am not finished with my questions. I
18 reserve the right to call him back.
19 MR. SCHNEIDER: Thank you,
20 Counselor.
21 Please mark as Greenwald 5 a
22 two-page --
23 MR. ZELMANOVITZ: 6.
24 MR. SCHNEIDER: 6. A two-page
25 document bearing Riverside Bates numbers

SHAUL C. GREENWALD

Page 182	Page 184
<p>1 S. Greenwald 2 270 to 271. 3 (Resolution Bates-stamped 4 R000270 and R000271 was marked Greenwald 5 Exhibit 6 for identification, as of this 6 date.) 7 EXAMINATION 8 BY MR. SCHNEIDER: 9 Q. Mr. Greenwald, please turn to the 10 second page of that document. Does your signature 11 appear on that page? 12 A. Yes, it does. 13 Q. Above the line for notary public; 14 correct? 15 A. Yes. 16 Q. You notarized Mr. Miller's signature; 17 correct? 18 A. It is my signature. 19 Q. And that occurred on September 18, 20 2014; correct? 21 A. It says that. 22 Q. Do you have any independent 23 recollection of seeing Mr. Miller on September 18, 24 2014, and notarizing his signature? 25 A. I don't recall.</p>	<p>1 S. Greenwald 2 to verify any of the facts in this resolution? 3 A. I don't recall. 4 Q. Is it fair to say you have no specific 5 recollection or understanding that any of the facts 6 in this resolution were verified by anyone on behalf 7 of Riverside? 8 A. No. 9 What does that mean? I am not sure 10 what your question is. 11 MR. SCHNEIDER: Please read back 12 the question. 13 (The record was read.) 14 A. Again, I still don't understand. 15 Sorry. 16 Q. After this resolution was given to 17 Riverside, was any exception to the Riverside title 18 policy made? 19 MR. ZELMANOVITZ: Objection as 20 to form. 21 Q. Answer it, if you can. 22 A. I don't understand the question. 23 MR. NASH: Exhibit 10. 24 Q. Did you have any discussion with 25 Mr. Miller at the time you took his signature on</p>
Page 183	Page 185
<p>1 S. Greenwald 2 Q. You have no recollection whatsoever? 3 A. No. I don't recall. 4 Q. How did this document come about? 5 A. I don't recall. 6 Q. Who prepared the document? 7 A. I don't recall. 8 Q. Did you or anyone at Riverside 9 Abstract ask Mr. Miller for a resolution from 45 10 John Lofts? 11 A. I don't recall. 12 Q. How did it come about that you 13 notarized Mr. Miller's signature? 14 A. I don't recall. 15 Q. Please explain the purpose of this 16 resolution. 17 MR. ZELMANOVITZ: If you know. 18 A. It seems like an authorization for him 19 to enter into or sell the trans- -- to sell this 20 property. 21 Q. How did it come about that you and 22 Mr. Miller got together on September 18th for you to 23 notarize this resolution? 24 A. I don't recall. 25 Q. Did you do take any action whatsoever</p>	<p>1 S. Greenwald 2 this document? 3 A. I don't recall. 4 Q. Was anyone else present besides you 5 and Mr. Miller at the time that you took his 6 signature? 7 A. I don't recall. 8 Q. Where were you located when you took 9 his signature? 10 A. I don't recall. 11 MR. SCHNEIDER: Okay. 12 EXAMINATION 13 BY MR. ZUCKERBROD: 14 Q. I have a few follow-up questions. 15 Mr. Greenwald, are you supposed to or 16 are expecting to receive any kind of broker's fee or 17 other fee under the transaction with the Russian 18 investors on the Mitchell Place transaction? 19 A. Explain what you mean by broker's fee. 20 Q. Some kind of fee in connection with 21 putting that deal together and helping Mr. Sprei 22 out. 23 A. We have the notes. The only amount 24 that we are getting back is \$8 million, potentially. 25 That's the maximum.</p>

SHAUL C. GREENWALD

Page 186	Page 188
<p>1 S. Greenwald</p> <p>2 Q. That's all you are getting back?</p> <p>3 A. That's the maximum amount.</p> <p>4 Q. So if someone else testified that you</p> <p>5 were supposed to receive some other fee, they would</p> <p>6 be mistaken?</p> <p>7 A. Explain what other fee you are --</p> <p>8 Q. I am just asking if someone else</p> <p>9 testified that you are supposed to receive some</p> <p>10 additional finder's fee or broker fee or anything</p> <p>11 else in connection with the Mitchell Place</p> <p>12 transaction, would they be mistaken?</p> <p>13 A. They are mistaken in the fact that the</p> <p>14 maximum amount that we could receive from this</p> <p>15 transaction, or at least until this point, is --</p> <p>16 there is a fee -- of \$8 million. There is a</p> <p>17 potential. I did introduce them to a lender, so we</p> <p>18 could get a broker's fee on the mortgage that's</p> <p>19 being handled. But a small fee, potentially.</p> <p>20 Q. I didn't hear or understand the last</p> <p>21 part.</p> <p>22 A. There is a mortgage broker that we</p> <p>23 introduced the parties to.</p> <p>24 Q. A mortgage broker?</p> <p>25 A. Yes.</p>	<p>1 S. Greenwald</p> <p>2 A. I said I don't recall. I didn't</p> <p>3 respond to that. I don't think I said that -- I</p> <p>4 don't think that's correct. You said -- what was</p> <p>5 the question again?</p> <p>6 Q. I thought you testified earlier when</p> <p>7 Mr. Nash was asking you questions that you could not</p> <p>8 recall any discussions that you may have had with</p> <p>9 Old Republic about the authority of Mr. Miller to</p> <p>10 sign that contract.</p> <p>11 MR. ZELMANOVITZ: At the time of</p> <p>12 the transaction?</p> <p>13 A. At the time of the transaction?</p> <p>14 Q. At the time of the transaction, yes.</p> <p>15 A. Yes, that's correct.</p> <p>16 Q. Did anyone else at Riverside at your</p> <p>17 firm have any discussion with Old Republic about</p> <p>18 that issue?</p> <p>19 MR. ZELMANOVITZ: At the time of</p> <p>20 the transaction?</p> <p>21 MR. ZUCKERBROD: Yes.</p> <p>22 A. I don't recall.</p> <p>23 MR. ZUCKERBROD: Okay. Nothing</p> <p>24 further.</p> <p>25 MR. ZELMANOVITZ: Thank you.</p>
Page 187	Page 189
<p>1 S. Greenwald</p> <p>2 Q. Who was that?</p> <p>3 A. Meridian. Meridian -- I don't know</p> <p>4 what they call themselves, but Meridian Capital.</p> <p>5 Q. We saw in this transaction that</p> <p>6 Meridian has already received \$500,000. Is that</p> <p>7 separate and apart from the fee that --</p> <p>8 A. Not the --</p> <p>9 MR. ZELMANOVITZ: By "the</p> <p>10 transaction," you mean 45 John?</p> <p>11 Q. 45 John.</p> <p>12 A. 45 John Street has nothing to do with</p> <p>13 this transaction.</p> <p>14 Q. I understand that. We have seen in</p> <p>15 the 45 John Street documents that Meridian has</p> <p>16 received \$500,000.</p> <p>17 A. I believe so, yes.</p> <p>18 Q. Is that separate and apart from this</p> <p>19 other fee that --</p> <p>20 A. That has nothing to do with it. This</p> <p>21 is separate.</p> <p>22 Q. The last question. You said that you</p> <p>23 could not recall any discussions that you may have</p> <p>24 had with anyone at Old Republic about the recorded</p> <p>25 first amendment or Mr. Miller's authority; correct?</p>	<p>1 S. Greenwald</p> <p>2 MR. ZUCKERBROD: As I said</p> <p>3 before, I am going to mark those</p> <p>4 documents that you gave to me as</p> <p>5 exhibits.</p> <p>6 But I don't have any questions</p> <p>7 about them.</p> <p>8 MR. ZELMANOVITZ: I will wait</p> <p>9 for them.</p> <p>10 MR. ZUCKERBROD: So there are</p> <p>11 five documents here. If you could just</p> <p>12 mark these as the next five exhibits,</p> <p>13 and then we will make copies.</p> <p>14 (Email document Bates-stamped</p> <p>15 R00152 was marked Greenwald Exhibit 7</p> <p>16 for identification, as of this date.)</p> <p>17 (Email document Bates-stamped</p> <p>18 R001505 was marked Greenwald Exhibit 8</p> <p>19 for identification, as of this date.)</p> <p>20 (Email document Bates-stamped</p> <p>21 R001256 was marked Greenwald Exhibit 9</p> <p>22 for identification, as of this date.)</p> <p>23 (Email document Bates-stamped</p> <p>24 R000988 was marked Greenwald Exhibit 10</p> <p>25 for identification, as of this date.)</p>

SHAUL C. GREENWALD

Page 190		Page 192	
1	S. Greenwald	1	S. Greenwald
2	(Email document, two pages,	2	I N D E X (Continued)
3	marked Greenwald Exhibit 11 for	3	INFORMATION REQUESTED
4	identification, as of this date.)	4	Documents in question 100
5	(Whereupon, at 11:45 a.m., the	5	Any documentation regarding this loan 106
6	deposition was concluded.)	6	Production of all of the bank records 111/112
7		7	for entity in questions from August 1st
8		8	or July 1st to the present
9		9	Full production of any documentation 113
10		10	regarding the loan in question
11		11	Production of all loan agreements 136
12		12	Production of all documents relating to 167
13		13	the issuance of the policy from Riverside
14		14	Abstract and Old Republic
15		15	INSTRUCTIONS NOT TO ANSWER
16		16	Page
17		17	10 - "And you said that you reviewed some documents.
18		18	What documents did you review?"
19		19	72 - "Did you have any conversations with Old Republic
20		20	as to why Riverside omitted 15 and 16 on the
21		21	abstract?"
22		22	171 - "But is she Riverside's attorney?"
23		23	171 - "Did you produce any written memorandums and
24		24	summaries of the events that happened?"
25		25	172 - "Did you tell anybody at Old Republic that you
			had a loan transaction with affiliates of Miller and
			Sprei and that your companies received \$2 million at
			the -- in connection with the larger closing?"
Page 191		Page 193	
1	S. Greenwald	1	S. Greenwald
2	I N D E X	2	C E R T I F I C A T E
3	Witness: Shaul C. Greenwald	3	STATE OF NEW YORK)
4	Examination by Mr. Zuckerbrod	4) ss.
5	Examination by Mr. Nash	5	COUNTY OF NEW YORK)
6	Examination by Mr. Schneider	6	I, Leah Allbee, a Registered
7		7	Professional Reporter and Notary
8		8	Public of the State of New York, do
9		9	hereby certify that the foregoing
10		10	Deposition, of the witness, Shaul C.
11		11	Greenwald, taken at the time and place
12		12	aforesaid, is a true and correct
13		13	transcription of my shorthand notes.
14		14	I further certify that I am
15		15	neither counsel for nor related to any
16		16	party to said action, nor in any way
17		17	interested in the result or outcome
18		18	thereof.
19		19	IN WITNESS WHEREOF, I have
20		20	hereunto set my hand this 13th day of
21		21	July, 2015.
22		22	
23		23	
24		24	
25		25	

EXHIBIT C

Riverside Abstract			
RANY 16467			
John Street			
Morgan Stanley	\$ 3,580,000.00		
Kriss and Fuesrstein	\$ 2,575,919.22		
Kriss and Fuesrstein	\$ 5,587,269.33		
Kriss and Fuesrstein	\$ 7,910,723.43		
Goldberg Weprin	\$ 9,750,000.00		
Goldberg Weprin	\$ 227,341.00	RS Invoice	
3839 Holdings	\$ 618,088.02		
Total received	\$ 30,249,341.00		
Herrick, Feinstein LLP	\$ 19,672,687.23		
Goldberg Weprin	\$ 3,007,341.00		
Meridian capital	\$ 500,000.00		
Goldberg Weprin	\$ 70,000.00		
Javier Doral	\$ 1,000.00		
Mega International	\$ 2,827,312.77		
Babad	\$ 2,000,000.00		
3052 Brighton Street	\$ 1,200,000.00		
Reliable abstract	\$ 500,000.00		
Blaivas	\$ 242,000.00		
RS Invoice	\$ 227,341.00		
Rs Escrow	\$ 1,659.00		
Total disbursed	\$ 30,249,341.00		
RANY-12445			
Kriss and Fuesrstein	\$ 107,791.19		
RANY-16788			
Kriss and Fuesrstein	\$ 1,304,610.37	Holding 500K in escrow	
RANY-17030			
Kriss and Fuesrstein	\$ 165,433.30		
RANY-17030A			
Kriss and Fuesrstein	\$ 173,016.74		
RANY-17030B			
Kriss and Fuesrstein	\$ 2,366.00		
Sum of invoices	\$ 1,753,217.60		